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# BUSINESS WEEK

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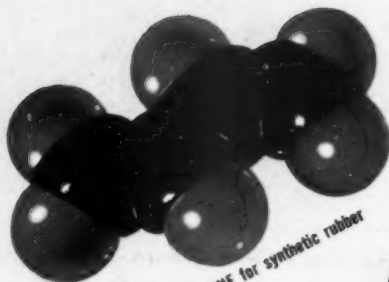
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UNIVERSITY OF MICHIGAN  
GENERAL LIBRARY  
ANN ARBOR MICH  
1-C  
Cp 2



ACETONE for rayon,  
photo film; solvent



BUTADIENE for synthetic rubber



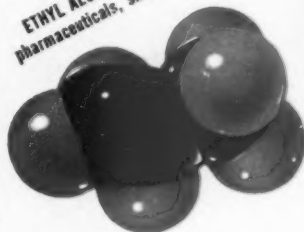
ETHYL ACETOACETATE for life-saving drugs, vitamins



ETHYLENE GLYCOL for dynamite, anti-freeze,  
aircraft engine coolant



ETHYL ALCOHOL for lacquers,  
pharmaceuticals, smokeless powder



ETHYLENE DICHLORIDE for vitamins,  
anti-knock fluid, plastics, insecticides

## Molecular Keys To A New World

VAST NEW SOURCES of raw materials . . . the equivalent of those which might be found in a great new continent . . . opened to America when CARBIDE AND CARBON CHEMICALS CORPORATION, a Unit of UCC, started building synthetic chemicals from water, salt, air, and hydrocarbons.

These chemicals are usually water-white liquids, although some are gases or solids. Basically, they are compounds of carbon and hydrogen—the atoms of which are represented here in black and orange—united with oxygen (blue), or with chlorine (green), to build up an endless series of chemicals. The models of those molecules of chemicals shown here are many millions of times actual size.

These chemicals are the raw materials for fabulous plastics . . . amazing textile fibers . . . life-saving drugs . . . vitamins by the carload . . . synthetic rubber . . . more things and better things than were possible before their existence.

Since these chemical wonders are obtained from abundant domestic sources, their use has contributed materially to the nation's self-sufficiency. Through research, American ingenuity, and patient development, scarce natural products have been duplicated or improved upon. Great new industries and great new materials that contribute to the nation's strength have come into being. And America has become a leader in a field as native as its own soil.

Broadly speaking, the uses of many of the synthetic organic chemicals developed by CARBIDE AND CARBON CHEMICALS CORPORATION are just beginning. The already established uses are indicative of their vast future values to mankind.

BUY UNITED STATES WAR BONDS AND STAMPS



**BETTER MEDICINES!** Amazing medicines like the sulfa drugs, synthetic vitamins, powerful insect repellents, and anti-malarial drugs depend upon synthetic organic chemistry.



**COLD PROOF!** Coolant for liquid-cooled aircraft engines and base for anti-freeze in military cars and trucks is ethylene glycol, an important synthetic chemical.



**MAGIC PLASTICS!** Wonderful plastics that look like glass, stretch like rubber, and which are proof against water, sunlight, oils, and many chemicals are made from VINYLITE synthetic resins.



**MAN-MADE!** All types of synthetic rubber require synthetic organic chemicals for their manufacture. Here's hope for tires for you in the future.

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30 East 42nd Street UCC New York, N. Y.

Principal Products and Units in the United States

### ALLOYS AND METALS

Electro Metallurgical Company  
Haynes Stellite Company  
United States Vanadium Corporation

### CHEMICALS

Carbide and Carbon Chemicals Corporation  
ELECTRODES, CARBONS AND BATTERIES  
National Carbon Company, Inc.

### INDUSTRIAL GASES AND CARBIDE

The Linde Air Products Company  
The Oxweld Railroad Service Company  
The Preat-O-Lite Company, Inc.

### PLASTICS

Bakelite Corporation  
Plastics Division of Carbide and Carbon Chemicals Corporation



**ALL OVER THE WORLD**

**ALLIED OFFENSIVES ARE UNDER WAY**

*Keep on fighting with your dollars . . .*

**B**Y substantially exceeding the \$13-billion goal in the Second War Loan drive, America has won a vital victory on the home front. There could be no more heartening encouragement to our sons and brothers who daily risk their lives in the Fighting Forces and in the Merchant Marine.

The drive and push behind our world-wide offensives must not, will not, slacken. The real goal on the War Bond front is the very utmost which each and every American can invest. Buy Bonds regularly out of income . . . increase your purchases to and beyond the point of sacrifice. Keep in the fight with all your might.

Buy Bonds as though Victory depends on you and on you alone.



**BANKERS TRUST COMPANY**

**NEW YORK**



## Life-blood of Victory

• In this mechanized war, oil is the very life-blood of victory. To win, you've just got to have it.

Lubricants for every machine that moves . . . high-octane gasoline for airplanes . . . butadiene for synthetic rubber . . . base materials for many vital medicines. Furnishing these essential products and many others is the war job of the petroleum industry.

Thanks to those who built the oil business in this country, no other nation on earth has the petroleum resources, the large refineries, and the technical knowledge that are available in the United States.

Serving this industry and many others, Hartford Steam Boiler and its nation-wide engineering staff are hard at work on the production front . . . seeking to spot trouble in time to prevent disastrous accidents to boilers, engines, generators, and many kinds of pressure vessels . . . helping to keep power working for victory.

In its seventy-seven years of specializing in engineering insurance, Hartford Steam Boiler has never before been privileged to serve its policyholders or the nation in a more vital role.



Covers: Boilers • Pressure Vessels • Steam, Gas and Diesel Engines • Turbines • Electrical Equipment

**THE HARTFORD STEAM BOILER INSPECTION  
AND INSURANCE COMPANY • Hartford, Connecticut**

## BUSINESS WEEK

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# WASHINGTON BULLETIN

## WHAT THE WASHINGTON NEWS MEANS TO MANAGEMENT

### Desperate Measures

The Administration is in a tight spot. Its panicky attempt to stop John L. Lewis, it is asking Price Administrator Wendell M. Brown to get tough, but this is a futile gesture. In desperation, Brown is issuing new food ceilings right and left. It's evident in Washington that this is a stall for which OPA has no heart. But as a stall, it is gaining some for Roosevelt and Economic Stabilization Director James F. Byrnes to consider what can be done. Something dramatic is under consideration, but don't count on it.

### New Policing Plan

Brown's response to the White House mandate on tighter control is to set "community prices" on foods in about 50 selected areas. This scheme freezes prices—heretofore set on the margin principle—at current levels. Of course, since small stores have higher markups than supermarkets, that differential of a penny or two is preserved. OPA, nevertheless, will be able to tell the public something like this: "The maximum price of a No. 2 can of U. S. Grade A peas in Pittsburgh is X cents; don't pay any more in any Pittsburgh store." The quoted price will naturally be the small-store price. Newspapers will be asked to back this plan to the hilt by printing weekly charts of prices which the consumer can stick into her purse when she goes shopping as an easy way of checking on the prices asked her. Meantime, OPA promises to police prices all around. And consumers who catch over-the-ceiling violators are supposed to report them to their nearest war price and rationing board where a special "price panel" of representative citizens will sift the complaints.

### Full of Holes

Had the new OPA plan (which really dates back to Leon Henderson's regime) been tried a year ago, before prices were out of hand and when scarcities were barely developing, it might have had real merit. Now it's patchwork. OPA, as everybody knows, has no police force to speak of, and local "price panels" can soon enough be packed by merchants who are out to preserve their own interests.

Even more important is the possibility that the new hold-the-line ceilings will shoo merchandise into other areas where "community ceilings" don't prevail, and where violations will be un-

policed. Furthermore, unless the Dept. of Agriculture slaps on ceilings at the farm level, the "community prices" will change as often as a newsreel, and—instead of going down—will continue to push up.

### Sign of Trouble

Tipoff on Brown's inability to cope with his new assignment is his failure to roll back (as per radio promise) the price of major foods. Also, don't look for the much-talked-about scoreboards on which consumers are to tabulate grocers' errors. There aren't going to be any.

### Preselection for Draftees?

Physical examination of potential draftees well before induction is being quietly urged in Washington. This is to give industry some idea whom it can keep and who will go. Problem is becoming more important as percentage of rejections rises, but Army is reluctant, fearing the load on its medical personnel.

### Roosevelt-Stalin Date

Premier Stalin has agreed to meet President Roosevelt, but the time and place—as well as important preliminary plans—will be arranged by former Am-

bassador Joseph Davies in Moscow. That is why his visit coincides with Ambassador Litvinoff's long-deferred return to headquarters.

Doubt the rumor that the meeting will take place in Siberian Russia (the President traveling the Willkie route in reverse—through Canada and Alaska). Washington would welcome such a plan, because it would imply ultimate Soviet cooperation in the showdown with Japan—the very thing Moscow is skillfully maneuvering to avoid as long as the Germans are still on Soviet soil and a full-fledged second front has not been opened in Europe.

More likely—especially if the conference can be arranged as soon as desired—is a meeting in the Near or Middle East, to be attended also by Prime Minister Churchill.

### Mission to Chungking

Don't miss the significance of the report that the President is likely to include China in his expected trip abroad. This would be a means of highlighting (1) plans for a speedy stepping up of operations in the Pacific, (2) China's key role (with Russia, Britain, and the United States) in all postwar plans, and (3) the subtle implication (after a Roosevelt-Stalin meeting) that the Soviet Union is in on the final battle of the Pacific.

### London Uneasy

Look for a London political maneuver of the first water to push Britain back into the Far Eastern political limelight.

Alarmed by complacency at home over vital Pacific losses and eclipsed by steadily mounting United States power, prestige, and popularity in Australia and China, London is preparing a propaganda campaign which inevitably would not allow a Roosevelt visit to China without the Prime Minister's going along. Problem for British propaganda strategists now is to find some play that can be made to draw Britain back into the Pacific limelight.

### Antistrike Action

Senate passage of the Connally anti-strike bill has Administration leaders worried. Anxiety turns on what may happen in the House. The House, which has been more antilabor than the Senate for the past two years, may easily turn the comparatively mild Senate version into a measure of really

### TRUMAN AFTER OPA

You may hear about a Truman (Senate investigating) committee report calling on the Office of Price Administration to overhaul its food price regulations. Pressure is being applied to have the report kept confidential, but if the committee's past record means anything, the document will be released for publication.

It charges that the effect of OPA's regulations is to force up, rather than keep down, distribution costs. Examples cited: that price ceilings on 500-lb. lots of meat give the packer a much greater margin than he gets on carlot shipments; that store-door distribution allows him a better margin than delivery to central wholesale distributing points. Over-buying by the Army is also attacked.



INTERNATIONAL BUSINESS MACHINES, now making a vital propeller-shaft mechanism—its principle illustrated by the child's toy—encountered a new lubrication problem, solved by a Shell Industrial Lubricant.

## FIRING A BLOCK-BUSTER

A FEW DAYS after Pearl Harbor, the Navy awarded one of its important contracts for Ordnance equipment to International Business Machines, leader in business office-machine equipment.

The propeller shaft which frees a block-buster's firing pin or drives a torpedo is simple in principle. Yet the 5-spindle automatic screw machine—which cuts such a shaft from  $1\frac{1}{4}$ -inch stainless steel stock—presented one of lubrication's toughest problems.

A Shell Lubrication engineer surveyed the situation and recommended a special Shell Industrial Lubricant. After a thorough trial, I. B. M. reported this Shell Lubricant solved the problem . . . production quotas were met . . . cutting tools stood up . . . the finish was superior.

As war production sets new records, proper lubrication becomes even more vital. Yesterday's solution is seldom good enough for today.

Constant improvement in Shell Lubricants is a major responsibility of the "University of Petroleum," Shell's research laboratories. Shell engineers apply these improvements in the field.

*Are you sure your plant has the benefit of all that is new in lubrication as it develops?*



First oil refinery to win the Army-Navy "E"—Shell's Wood River Refinery



*Leaders in War Production rely on*  
**SHELL INDUSTRIAL LUBRICANTS**

istic nature. A fight at that stage might get too hot for the Administration to handle.

## War Cabinet Move

Fast work behind the scenes prevented a public blowoff of the well-known Jeffers-Patterson feud over synthetic rubber and gasoline. But the incident has increased the already strong sentiment in Washington for legislation, by law or executive fiat, of a War Cabinet, a super-requirements committee where war agency chiefs would get together and allocate national resources—manpower, plant facilities and cash, as well as materials.

Sponsors of the Pepper-Kilgore war mobilization bill are redrafting their measure to point it toward such an agency (BW—May 1 '43, p7). The Truman committee will soon bring out a report urging it.

## War Officials Favor

War officials, such as manpower boss Paul V. McNutt, whose interests go beyond material control, complain that there is nowhere that they can obtain a definite formulation of national policy; they'd welcome a real War Cabinet. In WPB itself the need is felt, and the recent addition of McNutt, fuel boss Harold L. Ickes, and Transportation Director Joseph B. Eastman to the WPB board is a move in that direction.

The original Presidential order setting up WPB probably gives it power to make itself a real war production cabinet, but it is handicapped by Donald Nelson's long-time insistence that WPB limit itself to control of materials.

## Precedent on Beer

In its first direct move to limit the amount of transportation that an industry may use, WPB will shortly bring out an order establishing car and car-mile quotas for breweries. The quotas will be set as percentages of rail use in the base period November, 1942-January, 1943. Diversion of traffic from rail to truck will be forbidden.

## What's "Substandard?"

Since correction of "substandard" pay rates is almost the only excuse for wage-boosting acceptable under Roosevelt's hold-the-line order, the National War Labor Board is under heavy pressure to work out a pliable rule on what "substandard" means.

The regional boards are pushing ahead on their own, some holding hearings to work out a determination, some applying a cost-of-living increment to the 40¢ standard of the wage-hour law, others waiting for case-by-case determination.

## NWLB's Answer

NWLB itself has submitted to Economic Stabilization Director James F. Byrnes a scheme to handle the "substandard" problem under which each regional board would determine the most frequently recurring range of rates for particular jobs in its region. Then any pay rate below the prevailing local minimum for that work would be declared substandard and could be boosted.

## Machine Tool Inquiry

Over-buying of machine tools is agitating the Truman committee. From a war production point of view, the committee's interest is belated; tool production is over the hump (BW—Apr. 10 '43, p5), has been heading downward all this year, and WPB has been rigidly sifting order backlogs in recent months. This will become evident to committee

investigators who think they're on the track of a scandal, even though only a historical one.

## "Brownout" July 1

The long-predicted nation-wide "brownout" of practically all commercial display lighting (BW—Dec. 26 '42, p7) has finally been agreed to by the war agencies. Date set is July 1.

Although primarily a fuel conservation measure, it seems to be only a coincidence that the decision was reached at the time of the coal strike.

The proposal was first advanced last December by J. A. Krug, chief of WPB's Office of War Utilities (BW—Dec. 26 '42, p7), but it took time to sell Solid Fuels Administrator Harold L. Ickes and Transportation Director Joseph Eastman. Krug was hesitant about pushing it without their indorsement, foreseeing the mistaken inference that he feared a power shortage. Shortage of lamp bulbs now is a factor.

## No Street Light Ban

WPB's forthcoming "brownout" order on display lighting will not call for

## You'll Pay as the Senate Goes

Now that the House has patched together a piece of pay-as-you-go legislation, the Senate takes over the job of converting it into a workable system for putting taxpayers on a current basis. With the House split on the choice of plans, senators are free to write their own ticket.

Chances are that they will come out with a modified form of the Rumel plan, writing off all taxes on 1942 incomes except in special cases and advancing payment of 1943 taxes by one year (BW—May 1 '43, p15).

● **House Vote Close**—Whatever they adopt, senators can be pretty sure that the House will accept it. Republicans came within four votes of putting through their Carlson bill, embodying the main features of the Rumel plan. If the Senate comes out solidly for complete abatement, they can count on enough desertions from the Democrats to swing the House.

The only real decision the House made was its rejection of the Doughton bill, sponsored by the Ways and Means Committee. This would have put taxpayers on a current basis by having them recompute 1942 taxes at 1941 rates and spread payments over three years. The result would

have been full abatement in the bottom income brackets and doubling up at the top of the scale.

● **Camouflaged Increase**—However, the Forand bill, which finally got House approval, works out to almost the same thing as the Doughton plan. By canceling the 6% normal tax and the 13% first bracket surtax, it gives full abatement to all single taxpayers with incomes below \$2,500 and to all married men with incomes below \$3,200. For higher incomes, the percentage to be abated diminishes steadily, and in the top brackets, it works out to only 20% or so.

Either the Forand bill or the Doughton plan would amount to a camouflaged tax increase in the upper income brackets. This objection is likely to swing the Senate toward full abatement, which would leave the present rate structure undisturbed.

● **Tipoff**—Sen. Walter F. George, chairman of the powerful Finance Committee, already has criticized the Forand bill for violating "the principle of equality of tax treatment." That is more than just a straw in the wind. In recent years, the Finance Committee has determined the final form of most revenue legislation.



**GO**  
**ON TUESDAYS**  
**WEDNESDAYS**  
**THURSDAYS**

## AVOID THE PEAK at the end of the week

☆  
*Let us help you cut  
down your New York  
State travel*

☆  
If you can't make that trip to Binghamton or Troy during the middle of the week, say to yourself, "Is it necessary? Perhaps Marine Midland can save me this trip."

In these two places, as in 37 other cities and towns of New York State, there are Marine Midland Banks whose officers know the local people and local business. Perhaps by using their knowledge you can eliminate some travel to the benefit of your company and your country.



*The*  
**MARINE MIDLAND  
TRUST COMPANY**  
*of New York*

120 BROADWAY

Member Federal Deposit Insurance Corporation

## WASHINGTON BULLETIN (Continued)

any curtailment of public street light, because it doesn't want to raise the traffic safety issue as a basis for complaints against its order. Hope is that communities will string along.

### Basing-Price Decision

Business should not miss the fact that the Federal Trade Commission has won an initial court test of its powers to prohibit members of an industry from using identical delivery prices in identical zones.

On an appeal by the Salt Producers Assn. and its 20 members against a cease-and-desist order, the Chicago Circuit Court of Appeals has ruled that identical pricing and zoning must be broken up when the various sellers actually have varying delivery costs.

FTC has issued scores of similar orders in the past, but none has ever been put to a court test. The granddaddy of them all—a cease-and-desist against U. S. Steel and others in 1924, involving the basing-point system—was scheduled for court review in 1938, but so far there's been no trial.

### Cement Case Affected

FTC is on the verge of deciding whether to issue a cease-and-desist against all major cement producers for allegedly using identical prices and zones. Whether the court victory in the salt case will influence the commissioners' decision depends on how well they think the Chicago affair would stand up in the Supreme Court.

### Employment Note

The huge federal payroll is reaching the leveling off point. At present, the government has about 3,000,000 employees. Officials expect the peak to be 3,200,000.

### Castoria Protects Trademark

Drug manufacturers—if they can be judged by action taken on Fletcher's Castoria this week—don't intend to be caught writing any chapters for a sequel to "American Chamber of Horrors," the book that brought forth the new Food and Drug Act.

In a unique action, the Centaur Co., Sterling Drug subsidiary, producing Fletcher's Castoria, this week called in—from consumers, retailers, and wholesale druggists—entire stocks of the product. The appeal was made by radio and daily newspapers.

Reports that Castoria had caused nausea and vomiting in children were traced to a foreign ingredient contained in stocks shipped since Mar. 1.

So far the identity of this ingredient is known to neither the Food and Drug Administration nor the Centaur officials, who reported the adulteration immediately to FDA.

FDA is impressed by voluntary consultation, but that won't absolve a company from prosecution if the adulteration is traceable to neglect or improper control of chemical processes.

### Alcohol To Drink

Official resistance to granting the whisky industry a "furlough" from alcohol production to replenish liquor supplies is crumbling rapidly since WPB's admission that there is enough—and probably more—alcohol on hand to meet all expected requirements through 1944 (BW-Apr. 24 '43, p. 3).

Big question remaining is availability of corn for whisky. With 1,700,000 bu. of corn on tap, only the dregs are expected to object. Distillers' most optimistic hopes are for a 60-day "furlough" during which the maximum consumption would be 16,000,000 bu. of corn.

WPB's Alcohol Section played it safe in order to be sure of enough alcohol. But when safety was assured, it dared to cross the Senate's Gillette committee by revealing that plans for five new alcohol plants in the Grain Belt have been deferred.

### New Aircraft Control

The WPB directive authorizing the aircraft scheduling unit to handle transfers of materials and parts from one aircraft manufacturer to another appears on its face merely to approve a long-standing practice. For more than a year plane producers have been swapping materials, components, parts as needed, leaving Army and Navy district officers to fix up the inventory and priority books later on. If it was illegal, it was honest and efficient.

Behind the new directive is an intent to use such inventory reshuffles in disciplinary moves against substandard producers. Firms that fall behind on production and let inventories pile up will find the inventories snatched away and assigned to better producers. This is quicker and more effective than merely holding up deliveries of further materials.

—Business Week  
Washington Bureau



# FIGURES OF THE WEEK

THE INDEX (see chart below).

## PRODUCTION

	% Latest Week	Preceding Week	Month Ago	6 Months Ago	Year Ago
Steel Ingot Operations (% of capacity)	98.2	100.0	99.6	99.6	98.6
Production of Automobiles and Trucks	18,990	18,995	18,555	20,925	22,015
Engineering Const. Awards (Eng. News-Rec. 4-week daily av. in thousands)	\$12,873	\$13,812	\$11,875	\$21,140	\$40,840
Electric Power Output (million kilowatt-hours)	3,867	3,925	3,890	3,775	3,305
Crude Oil (daily average, 1,000 bbls.)	3,919	3,913	3,918	3,901	3,335
Bituminous Coal (daily average, 1,000 tons)	1,963	12,003	2,108	1,902	1,889

## TRADE

Miscellaneous and L.C.L. Carloadings (daily average, 1,000 cars)	79	79	79	87	84
All Other Carloadings (daily average, 1,000 cars)	53	51	52	63	59
Money in Circulation (Wednesday series, millions)	\$16,593	\$16,500	\$16,252	\$14,082	\$11,723
Department Store Sales (change from same week of preceding year)	+29%	+15%	-2%	+18%	+13%
Business Failures (Dun & Bradstreet, number)	52	96	89	158	199

## PRICES (Average for the week)

Spot Commodity Index (Moody's, Dec. 31, 1931 = 100)	246.3	246.7	249.2	232.5	231.3
Industrial Raw Materials (U. S. Bureau of Labor Statistics, Aug., 1939 = 100)	159.6	159.6	160.1	155.4	153.5
Domestic Farm Products (U. S. Bureau of Labor Statistics, Aug., 1939 = 100)	208.0	208.5	210.1	185.0	184.2
Finished Steel Composite (Steel, ton)	\$56.73	\$56.73	\$56.73	\$56.73	\$56.73
Scrap Steel Composite (Iron Age, ton)	\$19.17	\$19.17	\$19.17	\$19.17	\$19.17
Copper (electrolytic, Connecticut Valley, lb.)	12.000¢	12.000¢	12.000¢	12.000¢	12.000¢
Wheat (No. 2, hard winter, Kansas City, bu.)	\$1.38	\$1.38	\$1.39	\$1.20	\$1.15
Sugar (raw, delivered New York, lb.)	3.74¢	3.74¢	3.74¢	3.74¢	3.74¢
Cotton (middling, ten designated markets, lb.)	21.14¢	21.14¢	21.38¢	19.13¢	20.10¢
Wool Tops (New York, lb.)	\$1.335	\$1.332	\$1.310	\$1.232	\$1.266
Rubber (ribbed smoked sheets, New York, lb.)	22.50¢	22.50¢	22.50¢	22.50¢	22.50¢

## FINANCE

90 Stocks, Price Index (Standard & Poor's Corp.)	93.2	91.2	92.5	74.7	61.5
Medium Grade Corporate Bond Yield (30 Baa issues, Moody's)	3.93%	3.96%	3.95%	4.24%	4.27%
High Grade Corporate Bond Yield (30 Aaa issues, Moody's)	2.75%	2.75%	2.76%	2.80%	2.84%
U. S. Bond Yield (average of all taxable issues due or callable after twelve years)	2.31%	2.31%	2.32%	2.33%	2.38%
Call Loans Renewal Rate, N. Y. Stock Exchange (daily average)	1.00%	1.00%	1.00%	1.00%	1.00%
Prime Commercial Paper, 4-to-6 months, N. Y. City (prevailing rate)	1-1/2%	1-1/2%	1-1/2%	1-1/2%	1%

## BANKING (Millions of dollars)

Demand Deposits Adjusted, reporting member banks	30,098	130,313	31,848	28,639	25,358
Total Loans and Investments, reporting member banks	45,772	44,127	41,391	37,549	31,205
Commercial and Agricultural Loans, reporting member banks	5,645	5,598	5,695	6,316	6,726
Securities Loans, reporting member banks	2,156	1,969	961	898	836
U. S. Gov't and Gov't Guaranteed Obligations Held, reporting member banks	31,909	30,487	28,706	23,786	16,405
Other Securities Held, reporting member banks	3,226	3,226	3,229	3,443	3,706
Excess Reserves, all member banks (Wednesday series)	2,280	2,340	1,520	2,158	2,815
Total Federal Reserve Credit Outstanding (Wednesday series)	6,655	6,715	6,191	4,578	2,443

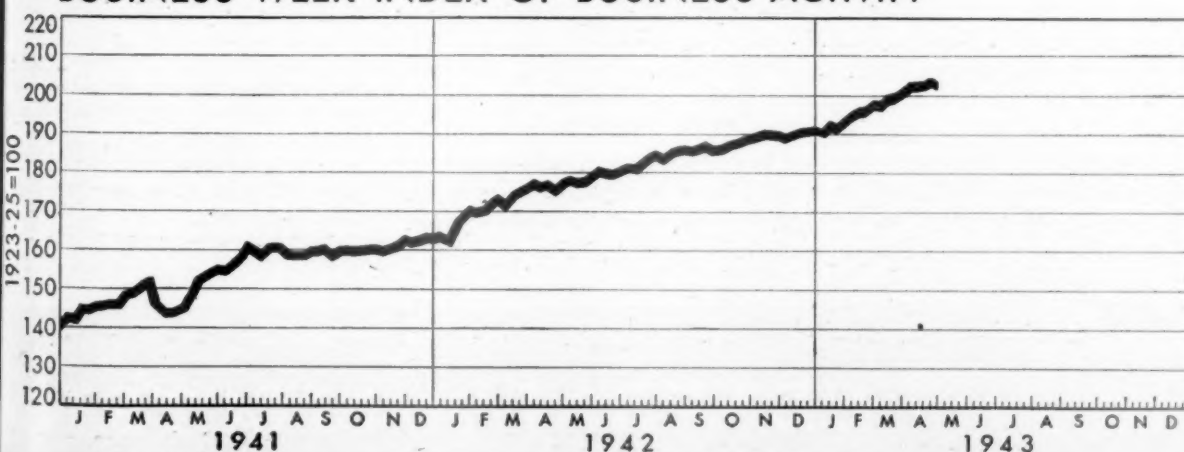
Preliminary, week ended May 1st.

† Revised

Ceiling fixed by government.

§ Date for "Latest Week" on each series on request.

## BUSINESS WEEK INDEX OF BUSINESS ACTIVITY



**"We could  
lose this War  
between 5 p.m.  
and 7 a.m."**



**JOHN BLAZEK**, the author of this remarkable statement, is the production manager of a war-material plant in a midwestern city.

**I**M no pessimist. But I'm telling you the hours between sunset and sunrise can be the most critical hours of this war. Not on the battlefronts, but in the factories and shops where they're making the things our boys must have to win the final victory.

"My factory has been working on important war contracts. Daytime production was as good as could be expected. But night production was 40% behind schedule. The employees worked just as hard. They seemed more tired than the day crew. But they weren't making the grade.

"I knew a dozen things might be wrong, but I had an idea one trouble might be the lighting. So I called in a lighting man and put it up to him.

"He made a careful study. Then he showed me what *was* wrong with the lighting, particularly as it affected the night workers. I was willing to try *anything* that might help, so we made the changes he recommended. Today, under the new improved lighting, our night shift workers are running neck and neck with the rest.

"I don't know how many other plants have been having this same trouble. But if production generally is lagging behind on the night shifts—those hours between 5:00 P. M. and 7:00 A. M.—*we could lose this war*. Unless we do something about it right away.

"As one production man to another, all I know is, if you're having night shift trouble, one thing you'd better

check up on is your lighting. It may help you. It certainly helped us."

**G**ENERAL Electric has a staff of experienced lighting men who visit war factories and give free lighting advice. Their job is to get the necessary results with the least possible use of critical materials. They're on the alert for things like glare, shadows, and dirt, that may slow down production without your knowing why.

If you are running a war factory, won't you have your lighting checked? Call the nearest G-E lamp office. Or see your electric service company or your G-E lamp supplier. Or write General Electric Company, Nela Park, Cleveland, Ohio.



**G-E MAZDA LAMPS**

**GENERAL  ELECTRIC**

# THE OUTLOOK

## Inflation vs. Production

Black market complaints add to the difficulties of keeping up war output in an economy already working on a thin margin. Lewis just dramatizes the issue.

Just as a taste of what a coal shut-down would mean, Business Week's Index for last week dropped a full point to 203.9, owing to wildcat mine stoppages (page 15). This week most of the mines were shut Monday, and steel operations dropped off 1.8% of capacity.

Understandably, stocks gained on news of the coal truce and the initial strong Administration stand (page 104). In a real sense, corporate earnings prospects reflect the national interest. If prices and wages spiral, profits will be cut; but, also, war costs will rise and war energies will be sidetracked. Where stoppages mean a drop in corporate gross, they also mean reduced war production.

### Prices and Strikes

Actually, John L. Lewis has crystallized somewhat earlier than would the normal train of events the basic significance that inflation has for war production. Because a geared-up war economy depends on full manpower utilization, even minor strikes upset arms output. And, when actual retail prices soar despite official controls, workers grow resentful and militant. There has been recently a new flurry of "flash" strikes in steel, autos, aluminum.

All along, black markets have been the key to inflation control. Eight months ago, Business Week said: "Should ceiling violations gather headway, living costs would again be up, and workers could demand with justice that wage rates be lifted" (BW-Sep. 5 '42, p13). Three months ago (BW-Jan. 23 '43, p14), there were "harbingers of labor troubles this spring in bituminous mines" because "price violations add fuel to the fires now slowly burning in labor breasts."

### Warning from Steel

There is no need to belabor the inevitability of farm price boosts, following upon wage hikes. And Chairman Irving S. Olds of U. S. Steel this week hinted that industry could not forever afford to hold its prices if wages jump and coal costs rise—on top of the overtime charges of the 48-hour week.

So, whatever the current outcome in coal, the ultimate issue lies with the black-market front. The Office of Price Administration, which has been taking

its own sweet time, already has stepped up to next Monday the date for setting dollar-and-cents ceilings on foods, to promote consumer enforcement. And new moves are under way to get subsidies from Congress with which to roll back food prices and break illegal distribution.

### Sales Gains Tell Story

Nonetheless, effective retail control awaits adequate price enforcement machinery and sufficient tax curbs on spending, whatever their form. Despite restriction of civilian supply, first-quarter retail sales (charts, page 24) ran 10% above 1942. In part, this may reflect illegal prices—but the extent of the violations can never be measured. Primarily, the gain evidences the expected

propensity of consumers to spend current income. But such increased sales can come only out of inventory, and both retailers and consumers inevitably are tempted to evade regulations as new supplies decline and stocks contract.

The final point is that, sooner or later, a praiseworthy but ineffectual determination to hold a nonexistent line will simply add to the already major difficulties in boosting munitions output which Donald Nelson touched on this week.

### Bigger Jumps Needed

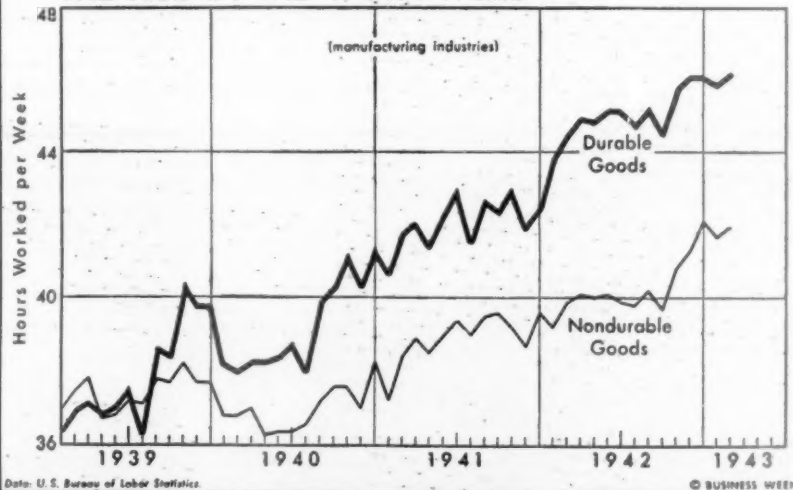
Arms production jumped 11% over February in March, a longer month. But the first quarter saw only 18% of 1943 programs fulfilled. Output must jump 50%, or to 27% a quarter, to attain the full 100% of schedules this year.

That won't be met. Bottlenecks in components are aggravated by manpower shortages. Also, steel output will rise slowly, whereas third-quarter requests for carbon steel had to be slashed 14% for the Army, 20% for the Navy, 22% for the Maritime Commission, 32% for the Lend-Lease Administration.

No doubt Nelson set his sights high—

#### IN THE OUTLOOK:

#### THE RISE IN THE WORK-WEEK



Longer work-weeks are becoming an increasingly important source of new man-hours. Between the outbreak of the war and Pearl Harbor, employment rose 38%, weekly hours 6%; but since then, employment has increased 20%, the work-week 10% (latest data, February). Relatively, it's getting easier to stretch hours than to find workers. But, there is a limit. As weekly schedules are extended, absenteeism increases. And, as hours lengthen,

productivity declines. This adds to costs already boosted by the 50% extra pay for overtime. The latter premium serves to hold down hours in nondurable industries such as food, apparel, and textiles operating under price ceilings, whereas many munitions lines are now edging toward a 52-hour week. However, manpower shortage and government edict—as newly applied to steel (page 90)—will force work-weeks up all along the line.



that is his custom. But the final test of whether we do enough lies with the fronts. And, despite the good news from Tunisia this week, the fact that Mateur comes a full six months after Algiers is hardly a ringing affirmative.

### Carloadings—Bad Sign

So, there can't yet be any freehanded release of materials for nonwar items. That does not gainsay the need for more durable goods essential to the war program, where these now are insufficient. Thus we have increased allocations for trucks (page 32) and for farm machinery. Railroad allocations are now a question. The recent drop in carloadings is not a good sign, but a bad one. Weather froze the Great Lakes longer this year, delaying iron ore shipments and loadings a month. These will have to be made up later, straining car capacity all the more.

## Job Freeze Eased

**WMC's regional directors facilitate shifting to better-paid work by instituting local stabilization agreements.**

War Manpower Commissioner Paul V. McNutt has discovered that his regional directors can see a loophole just as well as he can. He was practically forced by the President's hold-the-line policy into issuing his order of last month forbidding workers in essential industries

to transfer to higher paying jobs unless they were in areas covered by labor-stabilization agreements. No sooner was the order out than McNutt faced a storm of union disapproval—disapproval which went so far as to result in resignations from the labor-management policy committees that form the foundation of McNutt's program at all levels.

• **All in the Same Boat**—There was an obvious out—to exempt everybody from the rigid clauses of the order by putting the whole country under a labor-stabilization agreement. Late last week, McNutt summoned his twelve regional directors to Washington to prepare a nation-wide agreement. He found that they were ahead of him. Facing at the regional level the same problems that McNutt was facing nationally, they had adopted the same solution. Nine of them had already instituted region-wide stabilization agreements, and by now the other three have done the same.

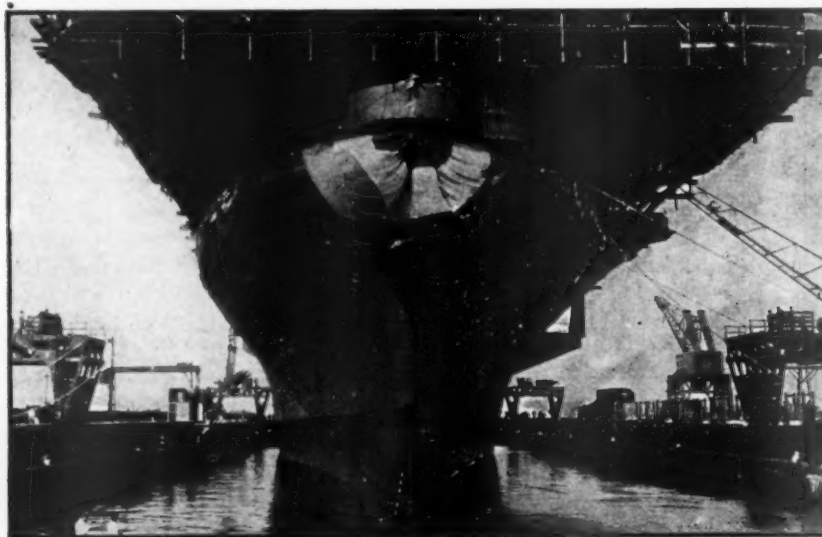
Thus, although there is no nationwide stabilization plan, the entire country is now blanketed by stabilization agreements—either one of the area stabilization agreements set up in war industry centers or one of the regional agreements.

• **Method for Transfers**—The regional agreements differ in detail, but in general they provide that a worker in one of the 35 designated essential industries may not transfer to another job—regardless of pay—unless he obtains from his employer a "certificate of availability." If his employer will not give him one, the worker may appeal to the nearest office of the United States Employment



### U-BOAT HUNTER

In a broadside launching, the first naval patrol vessel built at Chicago splashed into the water at Pullman-Standard's shipyard. When outfitting is completed, the speedy little watchdog will be sailed through the Great Lakes to the Atlantic to hunt down Nazi submarine wolf packs. The new patrol craft soon will have plenty of sisters from the mass production lines of Pullman shops which build streamlined railroad cars in peacetime.



### NEWEST FLAT TOP

Finishing touches are being rushed on the Navy's newest aircraft carrier, the *Intrepid* (above), which took to the water last week at Newport News, Va. The third giant flat top to come off

Newport News Shipbuilding's ways since Pearl Harbor, the *Intrepid* soon will join its sister ships, *Yorktown* and *Essex*, at sea. The carrier is the first ship ever built in a graving dock which normally is used only for drydock repairs and maintenance operations.

Service where he can obtain a hearing before a joint labor-management panel. If he can demonstrate that he has been laid off or discharged, that he is not being worked full time or at his highest skill, or that he is suffering substantial hardship by being held in his present job—and the proofs shouldn't be too difficult if he is determined—the USES will give him a certificate.

Employers, in essential or nonessential industries, are forbidden to hire any man who, during the previous 30 days, has worked in an essential industry unless he can show a certificate of availability.

• **The Tighter Regions**—Under the regional agreements, workers in nonessential industries are still free as the air. In some of these stabilization agreements, however, the list of essential industries has been extended for local purposes. And in Louisville (BW—May 1'43, p94) and Buffalo, all male labor has been declared essential and soon will be in several other areas. Any male worker must obtain a certificate of availability before changing jobs.

Establishment of the regional agreements has solved the immediate crisis. Labor spokesmen are reasonably well satisfied with the new arrangement. They



don't object to job controls so long as labor has a voice in their formulation and so long as provision is made for appeals to management-labor panels. The original job-freeze order violated both these conditions.

• **Question of Compliance**—Two big question marks remain. One is whether the sweeping new rules will be made dead letters by general disregard on the part of workers and employers. Even in the war industry centers which have received concentrated WMC attention, compliance is by no means universal. No one knows what will happen in areas where the war Manpower Commission is only an unfamiliar name.

The other question is whether the USES offices will become hopelessly overloaded with appeals, so that the appeals will back up, take too long to clear, and everyone will just bypass the controls in disgust. Chances are that one or the other will happen, for if the order is scrupulously obeyed it's hard to see how the understaffed, underpaid USES can carry the load.

## Lewis Slowed, Not Yet Stopped

His men whisper of a Washington double-cross, but he hasn't dropped a single demand. Other unions feel they will have to break Little Steel formula if John L. fails.

The sense of relief that the nation felt on Tuesday when the coal mines resumed operation seems now to have been premature. The million man-days of labor that were lost by the official stoppage of the industry and by the fortnight of wildcat strikes which preceded it may prove to have been just a dress rehearsal for the really protracted shutdown that would be precipitated by a naked test of strength between John L. Lewis and the government.

• **Demands Aren't Altered**—In the dust churned up by the hastily constructed truce, one thing above all others appears clear. It is that the issues which led to the shutdown are in no wise resolved. Lewis is still demanding a

\$2-a-day wage increase, portal-to-portal pay, jurisdiction over 50,000 mine foremen, and a guarantee of 52 six-day weeks of work a year. And there is still no evident disposition on the part of the government to let him have them.

The first maneuver of the government's coal czar, Harold L. Ickes—the order that all mines operate six days a week—did not satisfy Lewis. It carries with it no warrant of 52-week operation, and it affects less than 20% of the nation's miners, because the rest have been working a six-day week since the first of the year.

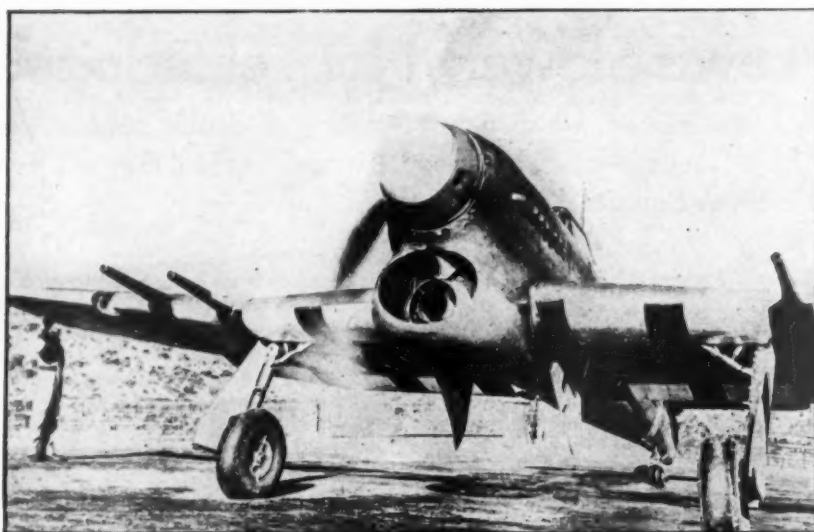
• **NWLB's Presence Rankles**—Moreover, Ickes' repeated insistence that the mine union's demands must be screened through the National War Labor Board infuriates Lewis. The labor boss and his satellites are almost back where they started, echoing the miners' classic strike call, "No contract, no work."

Unless the government satisfies him in the meantime, Lewis must again make the same choice by May 19 when the two-week contract extension is over. He can either abandon his demands



### TWO ICKESES

Harold L. Ickes confronts the mine situation in two moods. He's stern about the job of getting out the coal, embarrassed by suspicions that he was set up to engineer a face-saving wage deal with John L. Lewis. His self-conscious grin and gesture at the right have nothing to do with the coal of fire dropped on his head at the left. That seems to have been just a symbolic accident of lighting.



## BULLET ON WINGS

One of the fastest and most heavily gunned fighters in the world sat for its first portrait (above) at a British air-drome last week—after surprising Nazi bombers for months. Most details

of the R.A.F.'s new Hawker Typhoon are still secret, but its 2,000-hp., 24-cylinder, liquid-cooled engine is unofficially credited with turning up a top speed of 420 m.p.h. Armament of the monoplane consists of four 20-mm. cannon or twelve 303 machine guns.

(which is highly unlikely), agree to a further extension of the old agreement (a course that will settle nothing), or call another strike.

• **Public Relations Problem**—Another strike would be anticlimactic and even more unpopular with the public, for this would have to be a strike against government operation and not against private ownership. Why, if Lewis is determined to fight it out, were the miners sent back to work May 4? is a question now raised. The answer may be Lewis' consuming hatred for the Administration.

Lewis' aides have spread the story, which the Administration vehemently denies, that he made a satisfactory deal with Ickes in his private meeting with the Secretary of the Interior just before President Roosevelt made his radio appeal to the miners. Now, with no change in the government's position apparent, they are talking about "a colossal double-cross."

• **Grounds for a Strike**—This may be the theme of a second Lewis strike call. If the miners can be convinced that they have been double-crossed by the Administration, they will be much more impervious to the back-to-work appeals that will come from Washington in a steady stream once a fight to the finish begins.

The most likely basis for a deal which would save as much face as possible all around and avert another shutdown is still portal-to-portal pay. In the absence of precise data, the Lewis claim that the average miner spends an hour and a half a day in travel on mine property, for

which he is not directly paid, has never been authoritatively disputed.

• **Three Possibilities**—If a compromise is sought on this ground, there is considerable bargaining latitude. Compensation could be at straight time for on-the-property travel, which would figure at \$1.50 a day; it could be at straight time for five days and time-and-a-half for the sixth; or it could be at time-and-a-half for each day on the legalism that the miners' contract work week is 35 hours and everything beyond that is overtime.

Any such device would be within the letter of the Little Steel formula, for it would not alter hourly rates, but it would most certainly wreck wage control and consequently the inflation control program. Despite the animosity that Lewis personally evokes from every section of organized labor, there is broad labor support for his wage demands.

• **Other Unions' Feelings**—With no important exception, union leaders hope that the miners will crack the wage freeze. They have the unhappy feeling that if Lewis doesn't do it, they might have to under the irresistible pressure of their rank-and-file. They are convinced the upward spiraling of prices cannot be arrested.

Unpopular though the miners' case has been with the country at large, it has had the open indorsement of such polar union elements as conservative Matthew Woll, A.F.L. vice-president, and militant Walter Reuther of C.I.O.'s auto workers. An increase for the miners under a portal-to-portal deal—which would be 20% on a week's wage if it is figured at straight time—will give every

other union a leg up on demands for an equivalent increase on one ground or another.

• **Just the Beginning**—If such an increase is not forthcoming, and if Lewis is forced to crawl down, the Administration will have earned only tentative congratulations. It will have been the victor in only a skirmish. Lewis' campaign is just the opening broadside in a determined and unrelenting labor campaign to break the line that the President set up in Executive Order 9328.

## Now It Is CSP

Components Scheduling Plan, effective May 15, is to regulate flow of 23 parts for most vital war programs.

The manufacturer who has mastered CMP now is up against CSP—the Components Scheduling Plan. Supposed to go into effect May 15, CSP is an attempt to apply to distribution of critical components the same claimant agency-prime contractor-subcontractor flow system that CMP applies to the distribution of basic materials. CSP is to be used only in connection with 23 listed components entering into ships, power generating plants, and plants for production of rubber, high-octane gasoline, aluminum, magnesium, and steel.

• **Matter of Relationship**—These components are already being scheduled individually by WPB. Some have been scheduled for a long time, some only since last January's scheduling order M-293. The difficulty in scheduling them is the maintenance of the proper relationship between different components in the same program and the relationship of critical components, which are themselves parts of other components, to the critical components of which they in turn are a part.

Under the Components Scheduling Plan, claimant agencies—Army, Rubber Director, etc.—will submit to WPB a schedule, projected as far as possible into the future, of the critical components they intend to buy from each manufacturer. WPB will then try to reconcile this with the manufacturer's present schedule, diverting the business to another producer if necessary. Finally, the approved form will be returned to the claimant agency, which will turn it over to the manufacturer as his authorization to accept the order.

• **On Subcomponents**—In buying subcomponents, the component producer will submit a similar delivery schedule to his suppliers, with delivery dates based on the schedule submitted to him. And so on down the line whenever any one of the 23 components is purchased.

## Banking the Fire

**Oil-to-coal conversion campaign slackened in solid-fuel crises; Ickes burned up, but he is going along.**

The broadside campaign for oil-to-coal conversion will be abandoned. The policy in future will be on a selective basis, governed by location and volume of consumption, for both residential and industrial purposes. Petroleum Administrator Harold L. Ickes is burned up but has been forced to submit to circumstances.

**Nelson's Committee**—In March, Ickes sought to prevail on WPB to go all-out for conversion from oil to coal. WPB demurred, and Donald Nelson appointed a committee of officials representing the War Production Board, Office of Defense Transportation, the old Office of Civilian Supply, Office of Price Administration, and Ickes' own Petroleum Administration for War and Solid Fuels Administration to appraise the situation. PAW has been constrained to accept the recommendations of this committee.

Even before John L. Lewis precipitated the strike issue, the conversion program was running head-on into the critical anthracite supply situation. In its efforts to keep conversion going, Ickes' organization had been forced to the point of telling consumers how they could, if necessary, burn bituminous in anthracite grates. The strike crisis was the last straw.

**Discontinue Propaganda**—One of the recommendations of Nelson's conversion policy committee is discontinuance at once of all government propaganda urging conversion of residential oil installations to coal, this decision to be reviewed July 1 and Sept. 1.

The conversion program will be confined, in the main, to large industrial users. Confident that the oil supply situation will be easier next winter than last, oil companies are alert to any developments that may warrant clinging tighter to their customers (BW—Apr. 24 '43, p. 7). It is reported that they have put up \$5,000 for a survey by the Daniel Starch research organization to find out how the heavy demand for bituminous, including that diverted from oil, has affected coal distributors.

**Proposed Policy**—The Nelson committee recommended that conversion policy take this line:

### DOMESTIC USERS

Continue present policy of not requiring mandatory conversion of private dwellings.

Discontinue present policy of denying auxiliary rations to convertible private dwellings.

Continue present OPA policy of mandatory conversions of buildings (other than private dwellings) using oil for heating or

hot water, but with following exceptions: No mandatory conversions of this type shall be made in Florida, Georgia, Washington, Oregon, and Idaho. No mandatory conversions of this type shall be made for installations using less than 10,000 gal. in 1942-43 heating year in New England, North Dakota, South Dakota, Nebraska, Kansas, and Missouri.

### INDUSTRIAL USERS

Continue present PAW policy of virtual mandatory conversions of industrial users of fuel oil for power and processing, but with following exceptions: No mandatory conversions of this type shall be made in Florida, Georgia, Oregon, Washington, and Idaho. No mandatory conversions of this type shall be made on installations using less than 10,000 gal. in 1942-43 heating year in New England, North Dakota, South Dakota, Nebraska, Kansas, and Missouri.

Continue present OPA policy of not requiring conversion of kerosene range burners.



## WAR DRUMS

Production managers may pride themselves on a makeshift use of material to get the job done, but they have no monopoly on ingenuity. For instance, the Sea Bees—the Navy's construction commandos—pick up plenty of tricks. One battalion, set down on a remote South Pacific isle to build an advance base with not too many materials to



## Anthracite's Woe

**Present labor troubles simply spell more misery for an industry that feels it is going under for a third time.**

Today's labor troubles in the anthracite mines add just one more woe to a stricken industry. It hasn't been profitable since 1930. Now it feels its future is nearly as bleak as in the depths of the depression when federal relief amounted to \$238 per capita compared to \$183 for other parts of Pennsylvania and \$142 for the country as a whole.

**Population Dwindles**—Anthracite's labor costs have gone up while output



do the job, turned its talents loose on a pile of empty gasoline drums. With ends cut out, the drums made fine drain culverts (above left). Cut in half and crimped, they were used in making shrapnel-proof roofs for forge shops (above right). Flattened by steam rollers (below left), the drums were transformed into tough sheets for a variety of valuable uses—such as shoring up docks (below right).





fell. The population of five important anthracite counties has declined 2%, the 92,000 miners of 1941 have dwindled to 83,000, and the industry has lost markets—chiefly to oil and coke. Meanwhile no new war plants have been built in the area and the crippling of its only manufacturing activity—silk and rayon—has thrown the miners' wives and daughters out of employment.

Almost all the anthracite in North America comes from seven counties in eastern Pennsylvania. Around Scranton and Wilkes-Barre in the north, the veins are level, and operations are on a large scale. In the south, the veins are pitched and warped, so that four-men-to-a-hole mines are usual.

• **Houses Are Vacant**—Oddly enough, labor has been hit hardest in the big northern pits where miners who averaged only 186 work-days a year in 1940 were quick to advise their sons to seek jobs in war industry. The small mines—run by men who have a property stake in them—kept the boys around living on hope. Results of the exodus are seen in Scranton, with 4,000 houses for rent.

Production reached a high of 99,000,000 tons in 1918 and fell to 46,000,000 in 1938. Then it crept up to 56,300,000 in 1941 and maybe 60,000,000 last year. Stocks in ground storage Apr.

3 were 216,000 net tons compared to 646,000 a year ago, largely because buy-now campaigns have put coal at destinations. Miners average three tons a day (bituminous is five tons) and \$45 a week. Operators claim that the \$1.069 hourly average ranks fourth highest in nonmanufacturing industries.

• **The Water Danger**—Industrial markets for hard coal are limited primarily because of high price. Pennsylvania Power & Light, No. 1 industrial consumer, uses 1,500,000 tons yearly. Domestic users account for 78% of production. Price of anthracite went up 55¢ a ton last January, but in some districts this is equaled by the cost of pumping water out of shafts. Water pumped out of mines has trebled since 1921. Even with a solution to the water danger, estimates give the eastern middle field a life of only 15 years, the northern field 50 years, and the southern and middlewestern field 150 years. Today 60% of production is from the northern field.

Bootlegging, which handled 5,000,000 tons a year in depression days, has declined greatly. In 1941, there were still some 10,000 miners and 3,000 holes engaged in illegal operations, but last month the Bureau of Mines reported only 3,100 men and 1,151 holes. Increased employment by legitimate mines,

the drafting of younger men, and state restraints on bootleg truckers account for the improvement.

• **Competition With Oil**—With one of the oldest collective bargaining setups in the U. S. and with problems facing labor-management similar to those nearly fatal in the 1930's, the Pennsylvania anthracite area needs harmony or it will lose its markets to other fuels. Already 84% of the U. S. oil furnaces for space heating are in hard coal's primary marketing area.

## Facts on Rubber

Akron doubts that either the optimists or the pessimists are right on civilian tires, thinks synthetic is on schedule.

Don't be misled, rubber executives in Akron warned this week, by extremists who say there will be plenty of new synthetic passenger car tires for civilians or by those who say the government program is about to be exposed as a flat tire. The rubber capital's attitude may be described as cautious optimism.

• **The Probabilities**—It is the consensus that rationing restrictions will have to be continued throughout this year; that there won't be any spare rubber to warrant pleasure driving; that synthetic production, barring some unforeseen difficulty, should be in pretty good shape early next year.

Production of Victory tires, made mostly of reclaimed rubber, was stopped a few weeks ago. It's reported now that new synthetic passenger car tires for civilians will go on the market July 1, which means that at least one or two of the major rubber companies are now in quantity production. Arrival of this new phase of the rubber program was heralded by a recent Goodyear announcement that the first synthetic passenger car tire made entirely from government rubber was taken off one of its molds in Akron last month.

• **Exceed Rated Capacity**—New government plants have been coming in at about the expected rate and at about 10% to 40% above rated capacity, while demand for tires has been somewhat lower than expected.

Production of thiokol and neoprene for tires has been stopped (BW—May 1'43,p26). In addition to the reasons previously given, it is understood that thiokol tires were not satisfactory at low temperatures and that compounding difficulties beset both products when it came to tire manufacturing.

• **Army Eyes Supply**—The unpredictable factor in rubber supply is military demand. One report has it that the Army has its eyes on the new stock of synthetic passenger car tires.



### WINGED HAMMOCK

Oddest item in the latest crop of military needs for fighting in the tropics is a jungle hammock (above) with a waterproof canopy to ward off rain and a zippered netting to circumvent insects. It's part of an exhibit in the New York branch procurement office for the Army Quartermaster, where manufacturers get a closeup of Army wants (left) to see whether their plants, already off the beaten path of production, can go further afield.



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Great granddaddy of them all—Norris Dam as the site looked in 1933 (above left) and as it is today (above right).

## TVA's Ten Years

Country's most extensive venture in public power glories its achievements, expects to extend its boom after war.

Ten years ago this month, the Tennessee Valley Authority was launched. Today it is feeding more electric power to war industries than any other system in the Western Hemisphere.

**How It Has Grown**—When it started out, TVA inherited the old World War nitrate project at Muscle Shoals. Since then, it has built dams and power houses, taken over the private utilities in its territory, and now has 1,600,000 kw. of installed electric generating capacity. Complete, TVA will have 25 dams, 2,100,000 kw. of capacity, a 650-mile, 9-foot navigation channel from the headwaters of the Tennessee River at east of Knoxville, Tenn., to its

confluence with the Ohio at Paducah, Ky., and a flood control system capable of backing up 13,231,000 acre feet of water in the ponds behind its dams.

That, in bare outline, is the story of the first decade of the United States' largest experiment in public ownership. But there is a great deal more to it in terms of the authority's contribution to the development of the Tennessee Valley.

• **Lure of Cheap Power**—Of primary importance is the fact that TVA's early promise of extraordinarily cheap power attracted industries that use exceptional amounts of juice—notably aluminum which needs 10 to 12 kilowatt-hours of electricity to produce a pound of the virgin metal. Other early comers, and for identical reasons, were the chemical companies.

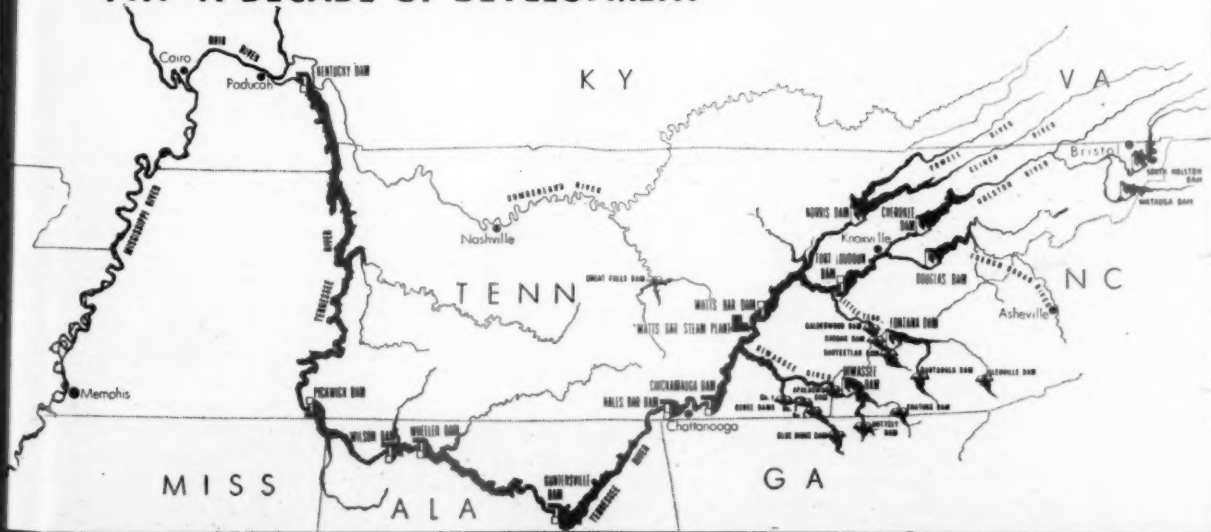
The war has, of course, resulted in tremendous expansion of aluminum production and fabrication in the Tennessee Valley, with Aluminum Co. of America and Reynolds Metals Co. as principal factors. (The Niagara Falls

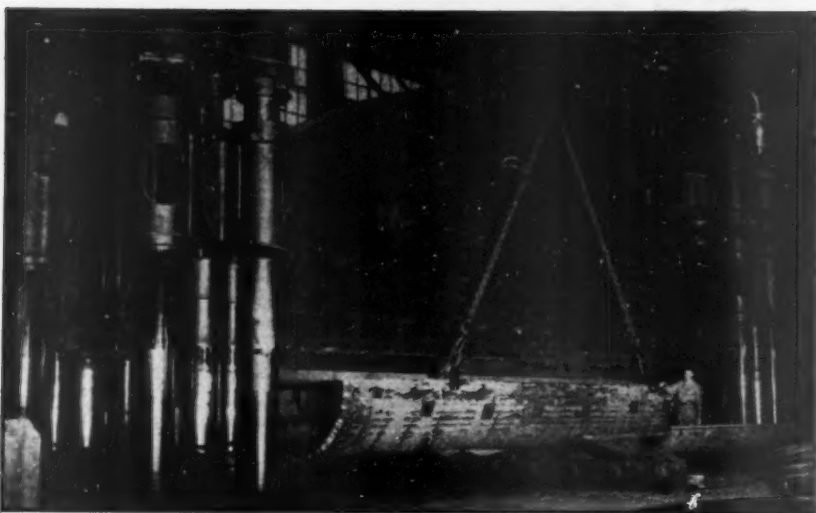
and Bonneville-Grand Coulee areas are other major aluminum producers, with Arkansas making its bid more belatedly.) Among other big war industries that are situated in the valley are plastics and aircraft.

• **War-Boom Windfall**—To some extent as a result of prewar development, but much more conspicuously because of war-forced expansion, the Tennessee Valley will enter the postwar era with an industrial establishment undreamed of ten years ago. Particular interest will attach to the competition between war-cheapened aluminum and other metals—even steel. And the 9-ft. barge channel promises to be a factor in the valley's postwar competitive position; traffic on the Tennessee was 940,000 tons in 1933; enthusiasts put it at 6,000,000 tons in 1960, with intermediate estimates tinged by all degrees of optimism.

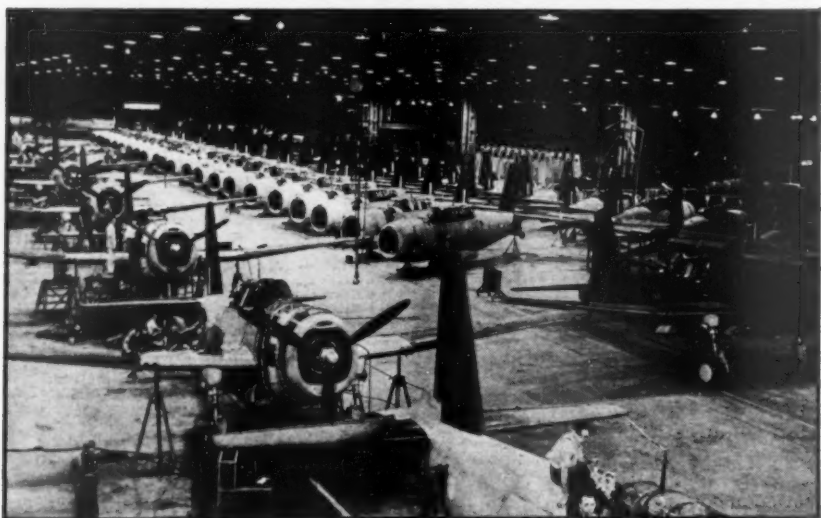
TVA officials believe, too, that the authority's research, aided by various interested public and private agencies, will be important to its postwar out-

## TVA—A DECADE OF DEVELOPMENT





Into power-rich Tennessee Valley have come industries hungry for cheap and abundant electrical current to operate machines ranging from huge bending presses (above) to the multitude of drills needed in the production of planes.



look. Touted developments include the following:

**Phosphorus**—One of TVA's earliest research projects, designed to aid agricultural development, was in phosphatic fertilizers. One of the phosphate plants now is turning out elemental phosphorus, ammonia, and ammonium nitrate for war purposes; fertilizers also are being shipped to Allied nations, notably England.

**Alumina**—Long before the war, TVA was following Germany's lead in efforts to extract alumina, for production of aluminum, from common clay. Because this country's deposits of high-grade bauxite (most prolific source of alumina) are limited and shipment of bauxite from Dutch Guiana is imperiled by submarines, clay is attracting increasing attention. TVA thinks highly of its Walthall process, announces that it stands ready to build an alumina plant whenever it is needed.

**Magnesium**—Along with many others, TVA has been working on methods of extracting magnesium from ores rather than by means of the long-established electrolysis of brine. The authority now announces that

its process using olivine (mined in North Carolina and Georgia and containing 25% to 30% magnesium) is well advanced.

**Flax**—TVA and the Georgia School of Technology have been seeking a means of spinning and weaving flax on machinery already installed in southern cotton mills. Machinery for cleaning the flax fiber is being developed, and there is hope that it may find war uses in parachute webbing and naval cordage, replacing fibers that are either scarce or no longer available.

**Threshing machines**—A low-cost trailer thresher, designed especially for the Tennessee Valley's hill farms, is being manufactured by the Turner Mfg. Co. of Statesville, N. C.

**Hammer mills**—To encourage home milling of grains, Turner Mfg. Co. is ready to produce a newly developed hammer mill, but priorities so far have been a barrier.

**Seeders**—A furrow seeder is being made by Avery Mfg. Co., Louisville, Ky.

**Castor bean shellers**—A castor bean huller, developed in cooperation with the University of Tennessee's agricultural experiment station, is being manufactured by the O. B. Wise Co., Knoxville.

**Dehydrators**—Home and community dehydrators, for fruits and vegetables are in use while undergoing further tests in several manufacturing plants.

**Refrigeration and quick freezing**—A wide type of electric community refrigeration for use by rural groups, storekeepers, or institutions, was developed in cooperation with the University of Tennessee's experiment station, and more than 25 are now in use. In addition, TVA assisted in establishment of many of the 75 freezer-locker plants in its area.

**Hay driers**—A barn hay drier for farm storing 20 to 60 tons of hay was developed with the University of Tennessee. Costing under \$325, many are now in use.

**Manganese**—A reduction-roasting and magnetic-separating process calculated to improve the grade of manganese ores from the Cartersville (Ga.) area has been adapted to an effort to fit the ore better for use in southern steel mills.

**Waste wood**—Research, in cooperation with the Georgia School of Technology, into the use of waste wood and cull timber has resulted in the development of a process and of machinery for making low-cost laminated lumber for war housing, truck bodies, etc. Tests are being conducted with the Alabama Polytechnic Institute in production of charcoal, dehydration of sweet potatoes in a wood-burning unit, and development of a semiautomatic slow-combustion wood stove.

**Vermiculite**—Use of vermiculite (hydrated silicate derived from alteration of North Carolina mica) in vermiculite-concrete slabs to be placed on the roofs of war plants as a protection against incendiary bombs has been sponsored. Wider use of such concrete in construction is predicted. The quality of vermiculite by which it expands about ten times under heat, reducing weight in relation to volume, is bringing about its increased use in heat-and-sound insulation for buildings, refrigerators, and refractories.

**Miscellaneous**—TVA has developed electric processes for making dinnerware, from cottonseed oil pressure cookers, and for hamaging cabinets.

The Tennessee Valley Authority is counting on barge lines to fortify its postwar position. It is planning new public-use terminals at several points along the 650-mile waterway for use of business enterprises whose volume of river-borne traffic is too small to justify building their own; it has encouraged shipment of iron by rail from Birmingham to the Tennessee River in northern Alabama for transshipment to Ohio Valley points by barge; it fostered automobiles by barge before the Detroit conversion and has been working on gasoline transportation since 1939; some grain is being handled; and intensive studies of joint rail-barge and truck-barge hauls are being made.

● **The Early Opposition**—So far, TVA has met most of the arguments of its early critics. It has settled more or less amicably the issue of local taxes lost when private utility plants were absorbed. It took over the private companies' steam plants so that coal miners' fears of losing customers haven't materialized. And railroads haven't yet suf-

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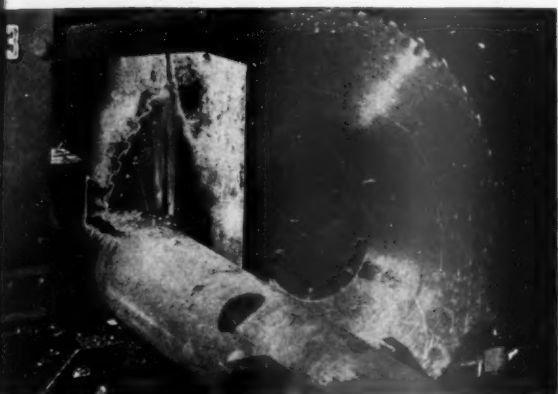
# How to Get Action on STEEL!



**WHENEVER YOU NEED STEEL**, there is a **RYERSON STEEL-SERVICE** plant at the other end of your phone. Ten convenient plants and 10,000 different kinds, shapes and sizes of steels carried in stock.



**EXPERIENCED MEN HANDLE YOUR INQUIRIES** and orders at Ryerson. They know what steels are available and how best to help you when your exact steel is out of stock. Work with Ryerson on your steel problems.



**YOU'LL GET THE RIGHT STEEL**, cut to the exact size or otherwise fabricated to meet your needs at Ryerson. Everywhere modern equipment and improved methods contribute to the efficient handling of your order.



**ON ITS WAY ON TIME!** Fast fleets of Ryerson trucks make local deliveries from all ten plants. Rail shipments, too, are speeded-up through careful routing. 90% of all orders are shipped within 24 hours.

**PUT RYERSON STOCKS AND SKILL TO WORK FOR YOU**

**JOSEPH T. RYERSON & SON, INC.**, Plants at: Chicago • Milwaukee • St. Louis • Cincinnati • Detroit • Cleveland  
Buffalo • Boston • Philadelphia • Jersey City

## RYERSON STEEL-SERVICE





### Eyes straining into the dark,

spindrift blowing back into his face from a smothered wave, faint-edged with phosphorescence—what thoughts are racing in the back of that vigilant face?

A nostalgic thought, of course, for homes whose warmth envelops him a thousand miles away. A new realization of what industrial, all-out production means in terms of safety and victory.

Yes, but behind it all an equally insistent query he will want answered when he comes home to pick up the old threads of his aspirations.

*Let's file our answer now.*

It will be a long answer—more production; more bonds purchased; giving up frills and luxuries; and sound, practical post-war plans that can be put to work quickly when he comes home.

Sound planning will include developing and manufacturing new machines—those ingenious, almost human mechanisms that have helped make America strong, free and democratic.

FIDELITY has been building such machines for 32 years for many industries. Write for your copy of "Machines and Mechanisms."

★

*Designers and Builders of  
Intricate, Automatic Precision Machines*

32 YEARS' EXPERIENCE

**FIDELITY MACHINE  
COMPANY**

3908-18 FRANKFORD AVENUE  
PHILADELPHIA, PA.

ferred from the competition of the improved barge system.

The private power companies still don't think much of TVA's accounting methods, but the authority announced nevertheless that, from electric revenues, it has paid back to the federal Treasury \$44,000,000 on the investment to date of \$416,063,000 for power, flood control, and navigation.

• **Construction Records**—Meanwhile, it has accomplished engineering wonders. Its first dam, Norris, was built under normal conditions and took 2½ years. Cherokee Dam, comparable in size, was completed in 16 months. Douglas Dam, a wartime project about the same size as Norris and Cherokee, was pushed through in 12 months and 19 days.

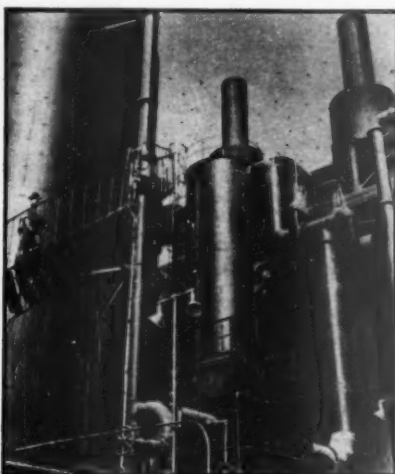
Now TVA is comparing itself, as an engineering project, to the Panama Canal; in point of materials required, the authority says it adds up to about eight Boulder Dams.

## Plenty of Water

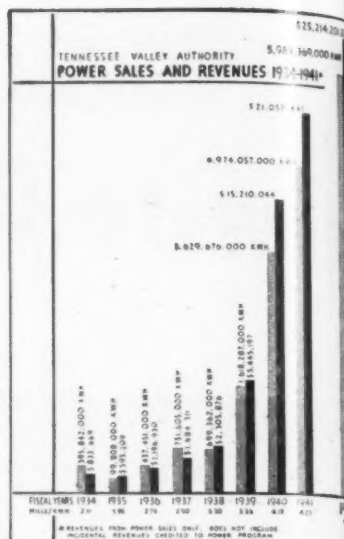
**Geological Survey finds supply for power, irrigation, and drinking well above last year except in Southwest.**

The U. S. and Canada, in the matter of stored water for power, irrigation, and municipal supplies, have a head start on nature this spring. This is the encouraging conclusion of the Geological Survey in its annual spring summary of water conditions.

• **Large Runoff Expected**—Storage in reservoirs and unmelted snow is gener-



Tennessee Valley Authority's huge ammonia plant (above) partially explains why the United States was able to get into munitions production so quickly. It is part of the TVA's No. 2 nitrate plant which was built in peacetime for a then unforeseen war.



ally higher than a year ago except in the southwestern states. In many areas, storage and anticipated runoff at near-capacity levels.

Hydroelectric storage shaped up better of the three principal water uses on Mar. 31. Reservoirs in the power-importing Southeast are nearly all at virtual capacity, average 140% of the ungenerated kilowatt-hours that were impounded at this time last year. Principal Tennessee Valley Authority reservoirs on Mar. 31 held 4,160,700 acre feet of water, compared to 2,569,900 acre feet last year.

• **Bonneville's Position**—In the Northwest, reservoirs feeding the huge Bonneville Power Administration and the utility power pool are 60% and 70% full, average 80% of last year's storage. Runoff from snows not yet melted is expected to set the water lapping at the spillways before summer.

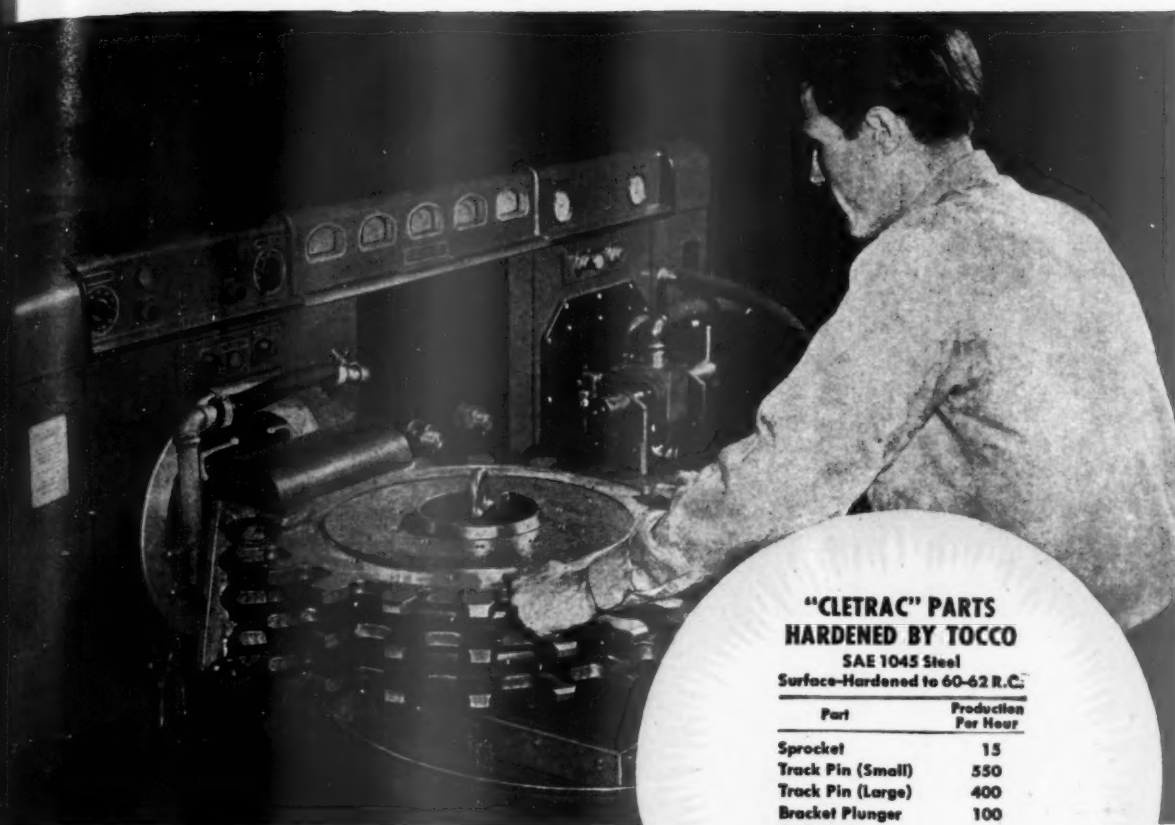
Power storage in the Southwest averages 75% of reservoir capacity—about the same as last year—but above-normal rainfall will be necessary to maintain storage equal to 1942 through the summer because of a thin spring runoff.

• **Waiting for Thaws**—Prospects for irrigation water run about the same geographically except that, for the most part, a larger portion of the water to be available this summer is still in snow. Actual storage in northern plains states is less than last year, but the water content of unmelted snow is sufficiently above average to fill reservoirs by the beginning of the irrigation season. Typical is Shoshone reservoir in Wyoming which held 294,300 acre feet of water on Mar. 31 compared to 371,900 acre feet a year ago but is expected to be carrying practically its full 456,000-acre-foot capacity by summer.

There have generally been net depletions of stored water in Southwest irrigation reservoirs, but the larger ones are still carrying some of 1941's wet-year surplus which is expected to last through the summer.



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## TOCCO TRIPLES OUTPUT OF 10 "CLETRAC" PARTS

**T**HE Cleveland Tractor Company, manufacturer of well-known "Cletrac" military, industrial and farm tractors, cites these benefits of hardening parts with a 100 KW "TOCCO Jr.":

**Greater Output.** Average production speed now three times that of former hardening methods. Elimination of carburizing has cut hardening cycles on most parts from 8 hours to a few seconds.

**Versatile.** 10 widely different "Cletrac" parts—from 28" sprockets to 3/4" link pins are hardened on one "TOCCO Jr." New applications being developed continually with the aid of TOCCO engineers.

**Lower Costs.** Cuts man-hours. Eliminates expensive plating, carburizing and straightening operations. Replaces scarce alloys with carbon steels. Simple to operate, doesn't require skilled operators.

"TOCCO Jr." equipment is built for continuous production service. Dependable, rugged motor-generator supplies power at a safe, low voltage.

Find out how TOCCO can improve your war production and enable you to cut costs and improve your products for postwar markets.

### "CLETRAC" PARTS HARDENED BY TOCCO

SAE 1045 Steel  
Surface-Hardened to 60-62 R.C.

Part	Production Per Hour
Sprocket	15
Track Pin (Small)	550
Track Pin (Large)	400
Bracket Plunger	100
Shift Shaft	150
Ring Gear	60
Lock Pawl	120
Pivot Shaft	100
Link Pin	100
Rocker Arm Shaft	100

**THE OHIO CRANKSHAFT COMPANY**  
Cleveland, Ohio



# TOCCO

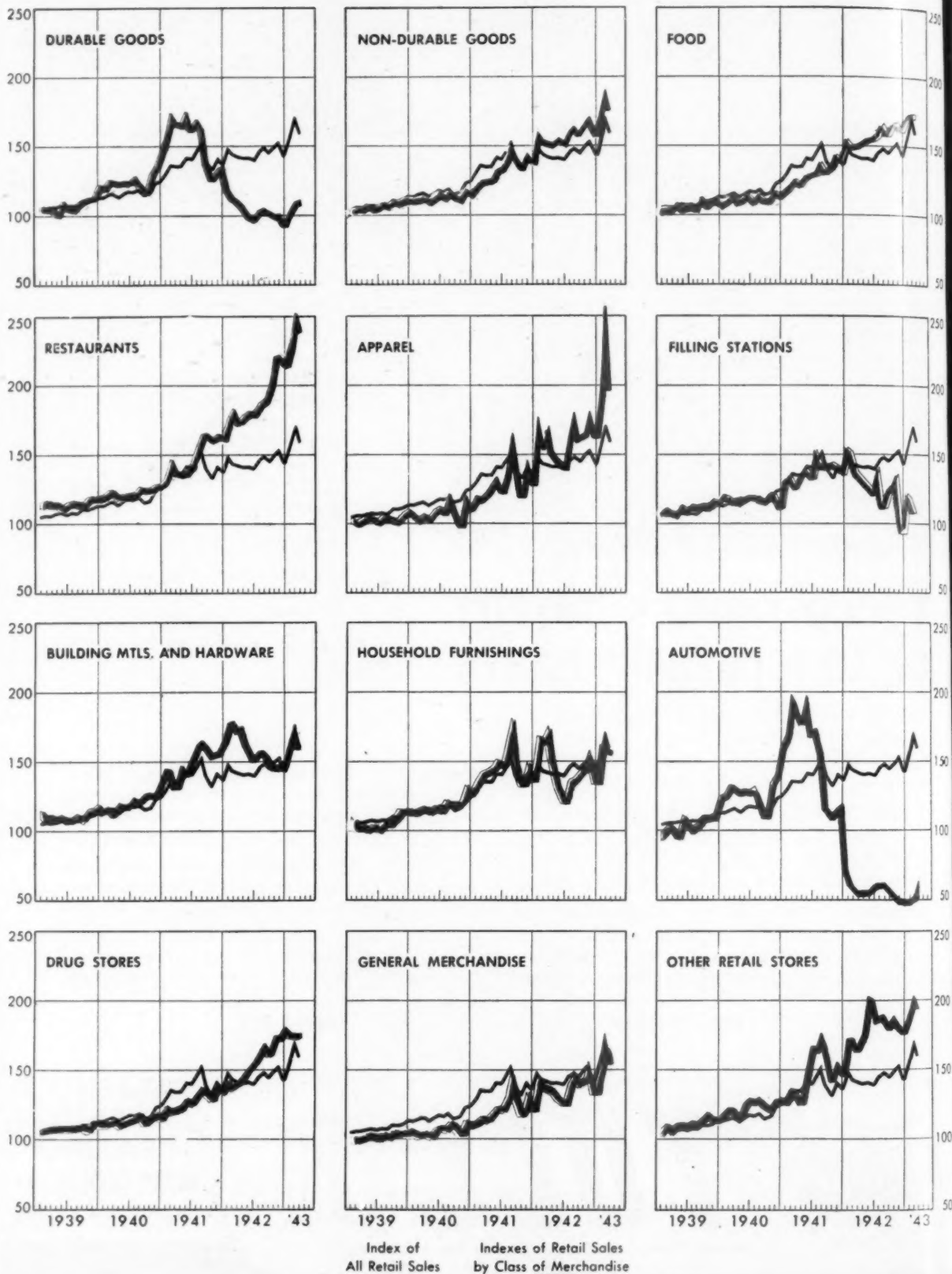
World's Fastest, Most Accurate Heat-Treating Process

**HARDENING  
ANNEALING  
BRAZING  
HEATING for  
forming and forging**

# DIVERGENT TRENDS IN RETAIL SALES

How Dollar Volume Has Been Affected by Changes in Supplies, Prices, and Demand

(1935-39 = 100, adjusted for seasonal variation)



Data: Department of Commerce

© BUSINESS WEEK

Glimpses into the wonder world of tomorrow



## Sitdown Shopping?

### COULD BE!

THE department store of the future would shock all of us — if it suddenly appeared today, full-fledged with innovations in selling methods.

Instead of weary shoppers trudging past the merchandise, perhaps the merchandise will move past the shoppers. Certainly, bright ideas will develop *self-service* and *impulse buying* far beyond what we know today.

Brilliant displays of merchandise will make today's shops look strangely old-fashioned. *Packages*

will be more efficient, more appealing, more self-selling. Prevention of spoilage and soilage will also be a "must" for every package.

In the post-war world to come, keener competition and improvements in merchandising and distribution methods will demand the maximum in scientific packaging skill.

The packaging knowledge we have gained during eighteen peacetime years of research and development is now being amplified in the solving of many wartime packaging problems. This accumulation of experience will serve well in post-war packaging and merchan-

dising in which, we firmly believe, Cellophane will play a vital part.

#### NOTE

We should like to keep you informed of developments as they occur, and will gladly place your name on our mailing list for periodic packaging bulletins.

Write E. I. du Pont de Nemours & Co. (Inc.), Cellophane Division, Wilmington, Delaware.



## Cellophane





*When  
you really want the  
Finest Letterhead  
to represent your  
Business*

Use EAGLE-A COUPON BOND — a paper that lends dignity, richness and permanence to your stationery and important papers. Be guided by the popular choice of influential leaders in business, finance and industry — men who know and demand the best.

EAGLE-A COUPON BOND is an Extra No. 1, 100% rag grade made from selected new white rag clippings. Its crisp crackle, dignified appearance and substantial feel, give evidence of expert craftsmanship and fine materials. No bond paper is more carefully made—nor standard of quality more jealously guarded—than that of EAGLE-A COUPON BOND.

This "American Leader" is recommended for business and executive stationery — bonds and certificates, documents, policies, vital records, air mail and permanent file copies. It lends prestige to law firms, banks, insurance companies, brokers, libraries, colleges and other institutions.

If you really want the finest without compromise in prestige, and long life — specify EAGLE-A COUPON BOND. The name is watermarked into the paper for your protection. Go to your Printer, Engraver, Lithographer or Stationer for this well-known Eagle-A Business Paper.



**AMERICAN  
WRITING PAPER  
CORPORATION**  
HOLYOKE MASSACHUSETTS



To aid the Army during a serious down shortage, hunters' and sportsmen's clubs are collecting feathers (above) for domestic markets.

## Feathers for War

**Demand for poultry in meat shortage curtailed down sources; now WPB will try to tempt growers with prices.**

Charge an accelerating shortage of feathers to the meat shortage. When civilians turned to fowl because they were unable to buy meat, the growers of ducks and chickens found they could save labor and increase net profits by selling their birds alive to hotels, kosher butchers, and markets instead of dressing them on the farm. Result: The feathers were lost to the Army, which needs twice as many of them for its sleeping bags and aviator coats as are being turned out by 38 feather processors, mostly located in Brooklyn and Chicago.

• **Aiming at Poultry Prices**—Domestic production of minced, chopped, and curled feathers has been running at an annual rate of 1,500,000 lb. (compared to pre-war imports from China and Middle Europe of 8,000,000 lb. to 10,000,000 lb.) with about 70% of them coming from Long Island before the demand for live poultry arose. WPB is trying to get a higher price for dressed poultry for growers so the feathers will be left on farms where they can be collected.

Early last year, WPB halted the civilian use of duck and goose feathers with order M-102. Last fall it urged hunters to save duck feathers, despite the fact that few of them get enough to bother with. (At the rate of six ducks to a pound of down processed from the

feathers, it takes 24 ducks to pad a single Army sleeping bag.) Since then, local groups like Milwaukee's Daniel Boone Hunters League have been collecting feathers in cooperation with Ducks Unlimited, the Izaak Walton League, and the U. S. Fish and Wildlife Service.

• **Sportsmen's Contributions of Help**—Now they are boxing final shipments at prices ranging from 80¢ to \$2.50 a pound, according to quality. Total amount of feathers turned in is anybody's guess, because sources have been too diverse for accurate accounting, but feather companies seem to think the effort has been well worth while.

## PRIORITIES STUDIED

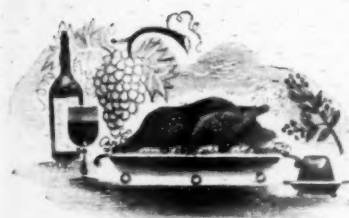
Detroit industry has taken steps for further understanding of the complexities of priorities, particularly under the Controlled Materials Plan, through organization of the Priority Assn. of Detroit. WPB officials, speaking at the first meeting, hoped that the idea might spread through the country.

Meeting procedure is simple. Speakers representing government or investigative agencies discuss latest developments on rules governing purchasing. The meeting is then thrown open for questions from the floor.

This type of program gives the government men opportunity to explain new problems quickly, not only for one questioner but also for many others bedeviled by similar problems. Likewise, the industry people can catch up on matters that may lie on their desks for solution then or the next day and can also act in concert to suggest changes.

President of the Detroit association is J. M. Bullis of Byrne Doors, Inc.

# How does the FOOD SHORTAGE affect our guests?



**RIGHT NOW**, Hotel Pennsylvania is confronted with many of the same problems that the nation's housewives must deal with.

One of them is food rationing.

For, just like the nation's housewives, the nation's hotels are rationed.

From time to time there will be a scarcity of certain foods, and an abundance of other foods. And at Hotel Pennsylvania, our skilled dieticians and food experts are constantly busy in our famous Research Kitchen, ingeniously preparing the available foods in an assortment of delicious and satisfying dishes.

And you can be sure that the food

that reaches your Hotel Pennsylvania dining-room table will be pure and wholesome—in no instance purchased through the black market. We intend to co-operate to the fullest extent with the government in stamping out black markets. So if certain foods are omitted from our menus, you'll know that they could not be purchased in the open market.

This much you can depend on. De-

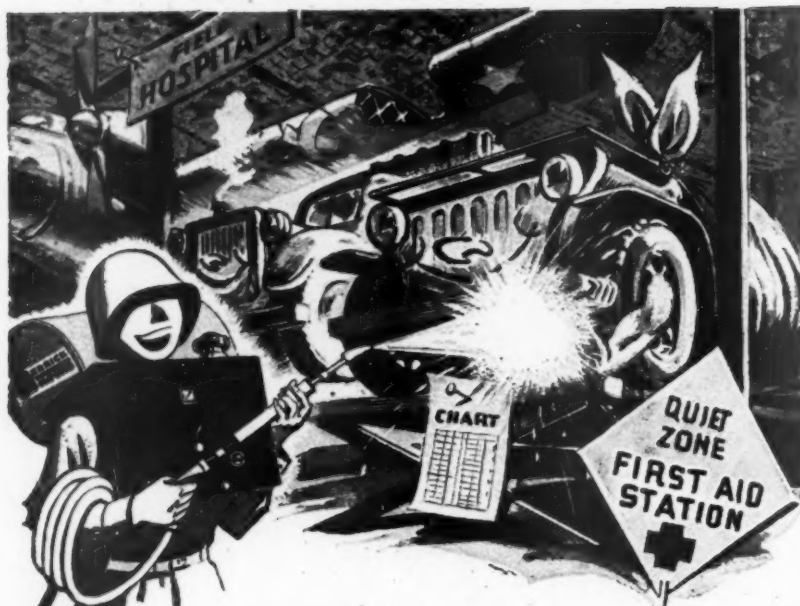
spite rationing and shortages of certain foods, there will never be a rationing of *quality* in our dining rooms. Hotel Pennsylvania food will always be *delightful* food, served to you in the finest possible manner.

YOUR DOLLARS ARE URGENTLY  
NEEDED FOR U. S. WAR BONDS

THE STATLER HOTEL IN NEW YORK

## HOTEL PENNSYLVANIA

JAMES H. McCABE, General Manager



## First Aid

### FOR THE MECHANICAL WARRIORS!

Trucks, tanks, planes and jeeps are casualties too! When they're hit or hurt they must *first* be cleaned so that they can be accurately inspected to determine the extent of repairs or service required.

Kerrick Kleaners perform *first aid* for mechanized equipment by quickly and thoroughly cleaning it for the diagnosis of injuries and preparatory for the "surgery" of repairs.

The Armed Forces depend on Kerrick Kleaners for this vital part of their tremendous maintenance job. The production front here at home depends on Kerricks too... for cleaning everything from small parts to complete factories... helping to speed the output of war materials.

Kerrick Kleaners were ready for these big tasks as the result of the many years of development for automotive and industrial use.

The Kerrick Kleaner scientifically combines heat, water, detergent and friction to remove the most stubborn grease and dirt from all types of surfaces—faster, better and cheaper.

Other Clayton products serving the Armed Forces are Flash Type Steam Generators, Hydraulic Dynamometers, Hydraulic Liquid Control Valves, Boring Bar Holders and Boring Bars.



Illustrated is trailer-type Model L-OET

# CLAYTON

MANUFACTURING CO.



## Rayon Edges Up

Army tests show it stands up in synthetic tires; industry may end war with one-fourth of capacity in high-tenacity yarn.

To start the war, rayon was all but ignored. Now it's a favorite for the finish. And its peacetime future is so bright that fiber people don't like to talk about it in public.

• **Dozens of Uses**—Army's recent experiments with high-tenacity viscose for tires have led to dozens of other military uses. In 1942, the industry had capacity to produce only 50,000,000 lb. of high-tenacity (h.t.) yarn. Army was finding out that h.t. rayon cord would stand up without toasting and breaking in synthetic tires, which get hotter than gum rubber tires.

When cotton congressmen got wind of this, they demanded hearings and brought out their best testimony for a new "low gage" cotton which, their laboratories reported, could stand more heat than ordinary cotton cord. But the new cotton thread had not been fully tested.

• **Support From Jeffers**—William Jeffers, just entering the scene as rubber director, gave Washington the thrill of its life by telling the farm bloc to take a walk. He then ordered enough viscose rayon plants converted to produce another 50,000,000 lb. of h.t. rayon annually.

This week the War and Navy departments, Jeffers, and the War Production Board are considering an additional 50,000,000-lb. conversion. Note that this is conversion, not additional capacity. Total annual capacity of 635,000,000 lb. of all rayons remains the same. The difference is that the industry will come out of the war (if no more than the two 50,000,000-lb. conversions are made) with one-fourth of its capacity in h.t. yarn, as against about one-seventh of it at the war's beginning.

• **Goblins by Day**—For years, observers of fiber trends have seen the synthetic yarn goblin on dark nights and have reported it to the farmers. They only shook their heads. Now they see it themselves, by broad daylight and in the market places.

Nylon was a fair bet to beat silk for stockings when war took all nylon for parachutes. Now, it looks as if rayon is beating cotton for tires. That could mean an ultimate loss to cotton growers of 500,000 bales in a normal peacetime year.

• **Only the Beginning**—Informed opinion is that a 150,000,000-lb. annual output of h.t. rayon will be only the beginning of peacetime need. There seems to be no reason why h.t. should not



replace ordinary viscose in apparel and replace cotton in scores of industrial uses and in some kinds of clothing. Though nylon seemed to be the answer for hosiery when the war started, a new supersynthetic might come along any day.

Many women still yearn for silk, but the experts hope to charm them with gossamer from their high-speed machines which can out-extrude all the worms in Japan, or in the world, for that matter. And of course the casein people still hope to put enough warmth and "handle" in their spun stuff to put wool over the barrel.

• **Workout for Rayon**—Rayon is getting a tremendous workout and a boost in six different types of parachutes, in tow targets (big cloth sleeves towed behind airplanes as gunners' targets), and in many military items not mentioned. Navy is figuring on some new rayon clothing. So far, the Army has shunned the use of synthetics for garments, except for a bit of trim and lining here and there.

## Gray for the Navy

Shift from khaki may be service-wide, but no abrupt change contemplated; gray is better for camouflage.

Navy's shift from khaki to a steel gray uniform for officers may eventually be extended to the entire sea service, now approaching two million men. All good lunch table strategists know that men-of-war used to stand miles apart and shoot at each other. They know that in this war sailors have met a winged enemy who can see the whites of their eyes. Dive and torpedo planes and skip bombers attack ships at close range, machine-gunning personnel on the decks as they come. Gray will blend better than khaki into a background of water, steel, and sky.

• **No Abrupt Change**—Officers now are authorized to wear the new color if they can get it, but Navy doesn't want any cloth producers, dyers, or cutters to get excited. An abrupt change-over is not contemplated. Clothing Division, Bureau of Supplies and Accounts, says no orders have been placed for its own account yet. Some stocks of khaki on hand at Navy-owned officers' tailors and in private possession are being dyed. Whether the result will be acceptable remains to be seen.

Reminded that Navy officers' khaki is the same 8.2-oz. cotton used by the Army, and that stocks might be transferred to the Army Quartermaster or to Army officers' clothing makers, Navy spokesmen pointed out that Navy officers still are wearing khaki, and whites,

# Expediter

## FOR MODERN BUSINESS

To provide you with the necessary forms to improve office and plant efficiency; confidential reports; form letters to speed up field activity; advertising folders and booklets to build sales and good will; stationery, envelopes, shipping tags, instruction sheets, and many other items that help to expedite production and delivery—those are the jobs that the Davidson\* is doing for hundreds of industries today.

And, unlike any other machine, the Davidson provides the *proper* method of reproduction for each job. It will reproduce from metal or paper offset plates, the copy being typed, written, or drawn directly on the plate. With equal efficiency, it will reproduce from photographic offset plates, type, electrotypes, and rubber plates. You choose the method best suited to the work—the Davidson delivers it efficiently and economically. And you'll be gratified with the exceptionally high quality and surprisingly low cost.

Here's the point to remember—only a Davidson can give you *all* this in *one* machine.

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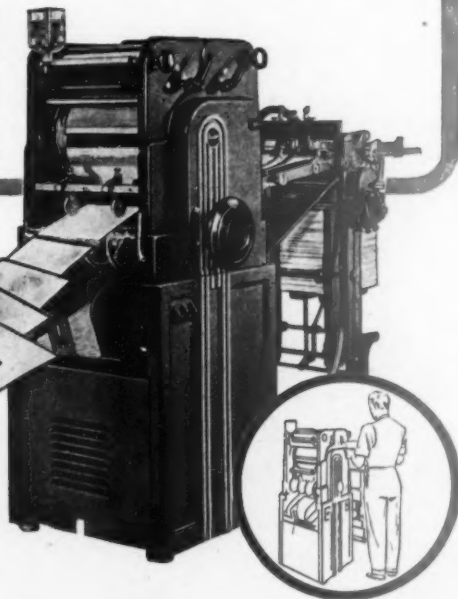
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The questions you might ask about the Davidson are answered fully in this book, and included are samples of the work it produces. Write for your copy.



# Davidson

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ashore. On shipboard, khaki and whites may be worn if ordered by unit commanders, who have the say in such matters.

• **Good Targets**—Both khaki and white are good target colors on war ships. Supplies and Accounts, which is Navy's quartermaster, admits no broader plans than to put officers in gray for sea duty, and this by easy steps so as not to disrupt the flow of goods from the textile industry. Informed persons say, however, the idea of putting its entire personnel in steel gray has crossed the Navy's mind.

There is no admission by anyone that the regular Navy blue is also a good target. But you can guess that it may not be considered good camouflage since men on sea duty, especially in combat, wear something else, and the Navy wants no comment on what it is. In newsreel and press pictures, the fighting gobs appear to be in dungarees, or even any old pants and sweaters.

## Twice-Used Ores

Lead and zinc are to be extracted from dumps of old silver mines that made Leadville famous years ago.

Time was when impatient gold miners from California fussed and fumed at the heavy gray-black rock that clogged the rockers in their Leadville placers. Behind them came men better versed in the lore of metals who recognized this placer gold waste as lead-silver ore upon which the real fame of Leadville is based. And today, the dumps of this old Colorado mining

camp are getting another working over.

• **Source of Lead and Zinc**—Millions of tons of low-grade ores containing lead and zinc, impatiently dumped by the old-timers intent on developing such silver bonanzas as the Little Pittsburgh, the Matchless, the Guggenheims' A. Y. and Minnie, and others, are now possible sources of war material.

A \$500,000 sink-float mill is being completed by Western Knapp Engineering Co. for Ore & Chemical Co. of New York City. It will be supplied from the mine dumps, where extensive tests were made by research engineers of the New York firm.

• **Flotation Process**—Ores will be crushed to 14 in. size, then floated across an 18-foot cone filled with a slush of ferro-silicon and water, gently agitated and also stirred by blasts of compressed air from below. Worthless rock will be light enough to float off; rock containing lead and zinc will sink and be recovered. Ferro-silicon will be cleaned, dried, and re-used.

Capacity will be approximately 1,000 tons of ore daily. Product will be shipped to Colorado Springs, where Golden Cycle's custom gold mill, largest in the United States, recently converted to handling lead-zinc ore (BW—Feb. 13 '43, p17), will further reduce it.

• **Other Activity**—This isn't the only such enterprise in Leadville. Resurrection Mining Co., owned jointly by Newmont Mining Co., U. S. Smelting & Refining Co., and Hecla Mining Co., has a big mill and also operates the Yak Tunnel, affording access to many veins. California Gulch Mining & Milling Co., which last year was getting paying quantities of gold from often-washed sands, has forgotten gold and turned to lead and zinc. There are smaller operations also.

And the old town is so crowded (what with the nearby Army ski camp and two mines, Empire Zinc and Climax Molybdenum, going full tilt) that U. S. Public Housing Authority is rushing work on a big housing project. Bewildered women who have followed their men to the new boom town sit in lobbies holding crying children while hubby hunts a place to stay, and on the doors of what used to be nests of sin on Second St. appear neat signs: "This is a private residence."

And always Leadville believes that probably next month, certainly not later than next year, federal money will be forthcoming for that great drainage tunnel from the Arkansas River far underneath the famous old drowned mines (BW—Jul. 5 '41, p20), so their lower depths can be worked and Leadville production can again become a world's wonder.

## Still Kicking

Trial run due soon for the Seamobile, diesel-powered light cargo ship, striving for cheap mass production.

The Sea Otter, kicked around from the Maritime Commission to the Navy to the Lend-Lease Administration, is far from a dead duck. Test runs are scheduled soon for this cheap, light, shallow-draft cargo vessel, conceived to meet President Roosevelt's demand for a "bridge of ships" to England.

• **Rechristened the Seamobile**—It will go down the ways of the U. S. Shipbuilding Corp., Yonkers, N. Y., under a new name—the Seamobile—and with new propulsion machinery. The Otter (BW—Sep. 27 '41, p17) was to have been powered by a battery of 16 standard six-cylinder gasoline engines, with propellers mounted amidships. In the Seamobile, diesel engines take the place of gasoline engines, and the propellers have been restored to the conventional stern position.

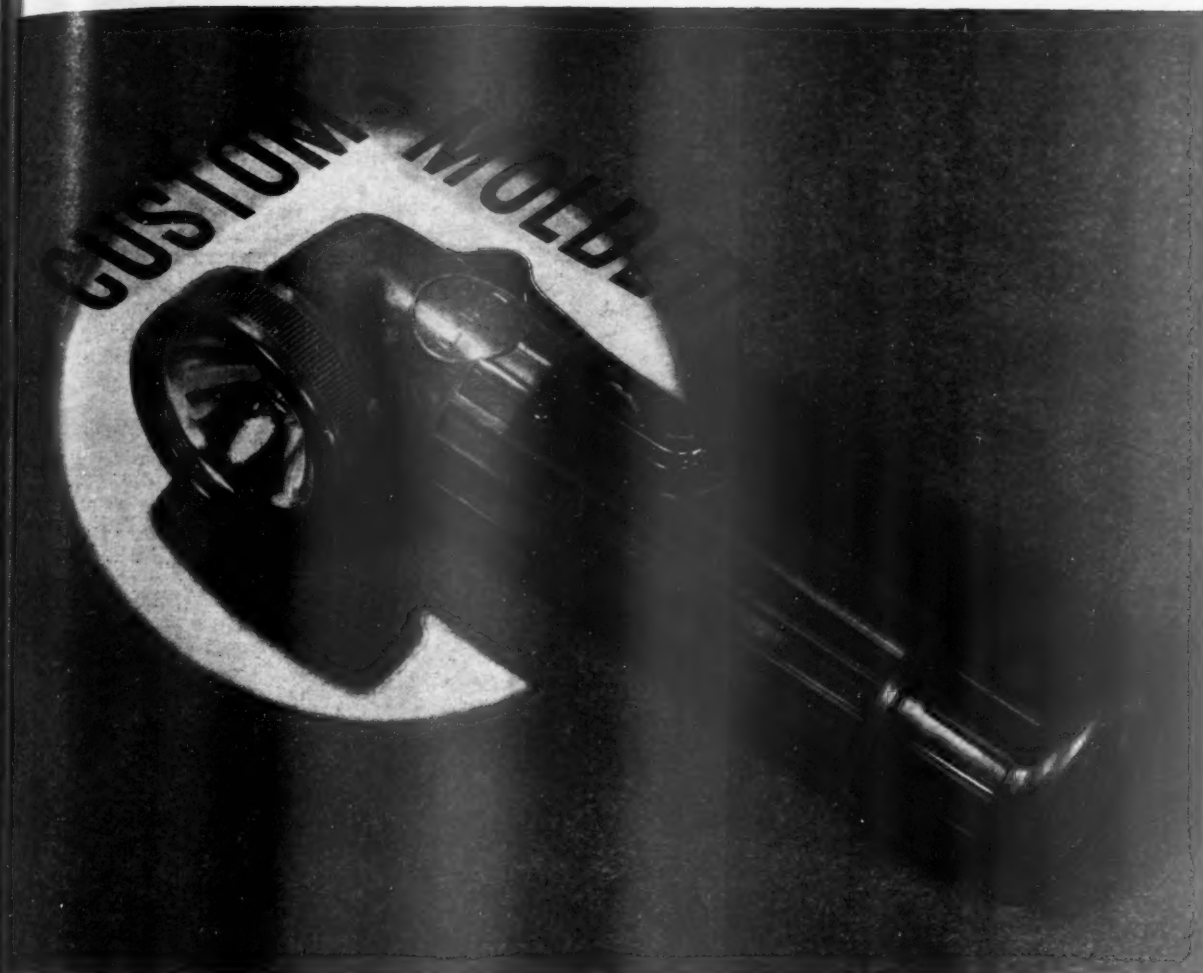
The Otter became a gleam in the eye of somebody high in the Administration—some sources credit the President—when the U-boat menace first became critical. The Maritime Commission toyed with the idea but was glad to toss it to the Navy. After building two boats, the Navy passed the idea along to Lend-Lease, where it still rests under the wing of a subsidiary, Cargoes, Inc.

• **Similar Pattern**—The Otter was about 270 ft. long, weighed 1,900 tons, and was designed to carry a cargo of 1,500 tons. The Seamobile follows a similar pattern. If cheap mass production can be achieved, officials say, the government hopes to sell it to some of our Allies.



Historic gold and silver mines at Leadville, Colo., are booming again, but now the spotlight is on lead and zinc. Ore dumps, amassed during the rush for wealth, are being picked over again

for the industrial metals. New York's Ore & Chemical Co. is pouring \$500,000 into a new mill (above) to recover the metals, and several other firms already are in production.



## LUMARITH E.C.

*Another Lumarith plastic in fighting shape*

U. S. Army Signal Corps Right-angle Flashlight. A problem in molding which was licked by the custom molder and LUMARITH\*E.C. (ethyl cellulose base).

The Army demanded great impact-strength under Arctic conditions . . . dimensional stability even in the steaming Tropics. There were converging cores to handle and the threaded sections had to be impressed to interchangeable accuracy.

All the specifications were met in this sturdy piece of Signal Corps equipment.

When you convert to plastics, you will need the custom molder's counsel. If you are not too familiar with plastic production methods, here is a plan to help you:

1. Specify to us the qualities required in your finished part: impact strength, light transmission, dielectric strength, dimensional stability.

... We will recommend the plastic for best results.

2. We put you in touch with the available custom molders best equipped to mold the piece by injection, compression, transfer, or extrusion.

3. The custom molder will give you a quotation.

4. We work with the custom molder in selecting the formulation suitable for all factors of production technique in relation to dies, heat, pressure, flow, etc. . . .

Success with plastics depends upon the right plastic and the right man at the machine.

\*Reg. U. S. Pat. Off.  
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# LUMARITH *Plastics*

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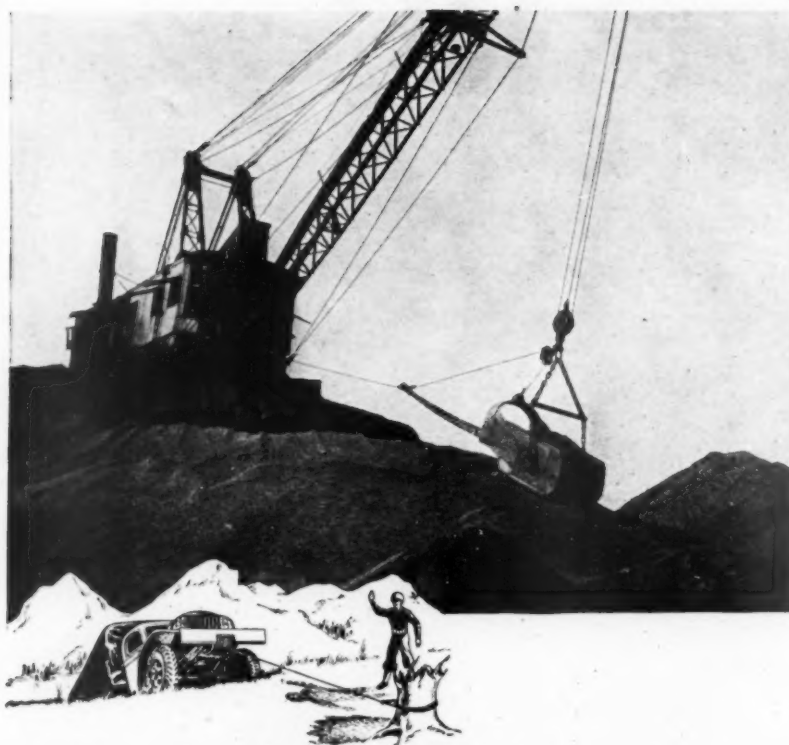
## CELANESE CELLULOID CORPORATION

*the first name in plastics*

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CELANESE CELLULOID CORPORATION, a division of Celanese Corporation of America, 180 Madison Avenue, New York City. Representatives: Dayton, Cleveland, Chicago, St. Louis, Detroit, Los Angeles, Washington, D. C., Leominster, Montreal, Toronto, Ottawa.





## Make equipment last... keep it on the job

Most of wartime industry's equipment today is moving mountains. In some cases, actual mountains of ore, slag or fuel; in others, such real obstacles as time, manpower and material shortages. And because each laboring tool or machine is difficult to replace, there is urgent need to prolong its life and keep it working.

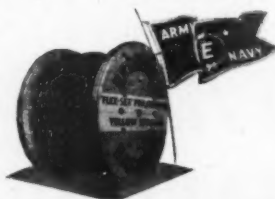
Certain rules for conserving heavy-duty equipment are universal: Inspect and lubricate regularly... adjust and repair in time... operate at capacity, but don't overload and precipitate shut-downs. Let the makers of material-handling gear help you, too.

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B & B's Army-Navy "E" Flag with Service Star Means that

WE SERVE THE GOVERNMENT AS WE SERVE INDUSTRY: WITH DETERMINATION THAT OUR ENTIRE ENERGIES AND RESOURCES SHALL HELP TO WIN THE WAR

## Swing to Trucks

Manufacture of limited number for civilian use awaits allotment of WPB contracts; three size ranges planned.

Reconversion to civilian goods became a reality in a small way for truck producers late last week when WPB's Automotive Division told them to prepare to turn out a limited number of heavier vehicles, probably about 8,000, during the last six months of this year.

• **Stocks Run Down**—The trucks will be produced to fill a void caused by the heavy need for big hauling units on the highways. Stockpiles of such trucks have been running down since last May, when the manufacturers cleaned up on the last of their parts banks and turned exclusively to military production, and the finished stocks are now run out. It was need, plus the fact that the military truck-making program has passed its peak, that impelled WPB to go from alarm clocks (BW—Apr. 17 '43, p. 17) to heavy trucks in its reconversion planning.

Actual allotments for materials are expected momentarily from WPB, with the Office of Defense Transportation acting as the claimant agency under the Controlled Materials Plan. Haste will be the rule, so that output can resume soon after the third quarter begins.

• **Three Size Ranges**—Production will be concentrated in three size ranges, 20,000, 30,000, and 40,000 lb. gross weight. Output will be limited to those manufacturers who can get components and undertake assembly without impairing war output, whose schedules will not utilize labor needed in tight areas, and who have service facilities for maintenance work throughout the country. WPB and the services have settled on which producers qualify under this formula but are keeping mum on the choices until allotments are sent out.

Presumably almost any manufacturer could qualify on the service facilities clause. Those located in the immediate Detroit area might be barred because of labor shortages.

• **Likely Participants**—This would leave such producers as Diamond T, International, Mack, and White as likely participants in such business. Others of smaller size outside Detroit include Brockway, Duplex, Gramm, Hug, Kenworth, Reo, and Sterling. Within Detroit and nearby Pontiac, Dodge, Federal, and G.M.C. are the only truck producers making larger size jobs; the volume leaders, Chevrolet and Ford, do not invade the 20,000-lb.-and-up field.

To resume civilian truck manufacturing will not be a big task. Most of the producers to be nominated have been in

S  
military truck output; their assembly facilities are intact. They will have to order light-gage sheet metal utilized for civilian truck use but not for military vehicles, plus a few homefront refinements. Obtaining such material will not make any important problem.

• **May Sacrifice Uniformity**—WPB is seeking a degree of uniformity. It would like to see a 350-cu.in. displacement motor used on the 20,000 gross vehicle weight jobs, one of 400 cu.in. on the 30,000 G.V.W.'s, and 450 cu.in. on the 40,000 G.V.W.'s. The truck makers are protesting this, since their normal production does not flow in such fixed relationship. WPB, therefore, is likely to drop this aim. WPB and the truck makers are more agreeable on the proviso that the two smaller sizes be four-wheelers driven on one axle, that the biggest units be six-wheelers with two driving axles.

## Black Future

Charcoal industry sees ruin ahead unless it can get more men, draft deferments, and price relief.

Unless more men take to the woods and unless OPA further modifies its order freezing raw wood prices (MPR-348), the charcoal business of the U. S. is going to burn, smoulder, and go out. • **Facing Shutdown**—Recently one of the two biggest producers announced that it would soon have to shut down, and the other wired that it was cutting production 50%. Manufacturers Charcoal Co.'s 14 producers in Pennsylvania and New York are loading only 300 cars a month when their capacity is 550 cars, 15 tons to a car.

Charcoal is vital in war work. There isn't a soldier whose equipment isn't affected by it. It is needed for silicon alloys, high chrome steels, other metallurgical products, parachutes, refrigeration cars, tobacco curing, glass, poultry and stock feed—among other things. It comes mainly from three areas in Tennessee, southern Arkansas, northern Pennsylvania, western and eastern New York, and northern Michigan.

• **Labor Shortage**—The over-all problem is a labor shortage caused by the draft and by higher wages in other work. To meet this crisis, WPB is trying to get Selective Service to place wood cutters under the wing of agriculture so they can be declared essential.

The emergency problem is the Apr. 23 price freeze that exempts logs and bolts used for pulp but leaves charcoal producers unable to pay more to cutters. Charcoal men want pulp wood prices reduced or chemical wood prices raised before they suffocate.

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Standard Adding Machines  
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## WHERE PRECISION COUNTS!

The same skill and production facilities, which have been responsible for the precision of R. C. Allen Business Machines, are now devoted exclusively to the manufacture of

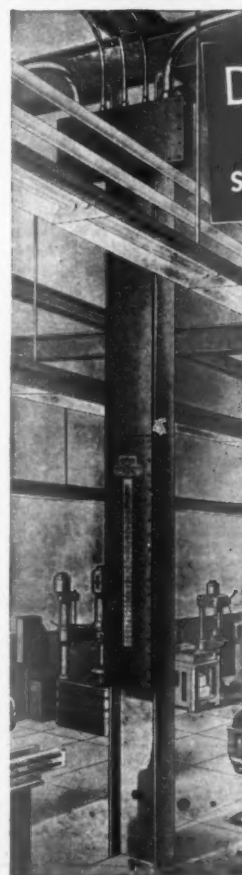
## AIRCRAFT INSTRUMENTS

R. C. Allen Business Machines are still on a limited production basis in accordance with the rulings of the War Production Board.

★ All R. C. Allen Business Machines now in use should be properly serviced by factory experts. Consult the classified phone directory for our local representative or write.

## R.C. Allen Business Machines

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## Dust-laden atmospheres spell DANGER!

Every safe-guard must be used to prevent arcs that might set off explosions. Therefore many plants have installed

## FA DUST-TIGHT PANELBOARDS

as a precautionary measure... Underwriters' Laboratories, Inc., have approved them for "Class II, Groups F and G, Hazardous Locations," atmospheres containing carbon black, coal or coke dust and grain dust... They are ideal safety equipment in shell-loading plants, coal mines, coal processing plants, grain mills and other plants troubled with dust.

This panelboard has a solid steel front plate, gasketed all 'round. It is further rendered dust-tight with welded hubs for conduit outlets, welded box-corners, and handle bushings riveted directly to the steel cover plate. The brackets are welded at the back.

The circuits are externally operable by a mechanism of new design. The handles operate through the dust-tight bushings, and engage the regular handles on the circuit breakers inside the cabinet. ON and OFF positions are indicated on the front of the cabinet.

Dust-tight Panelboards may be had in standard type, or in narrow column type (as illustrated). Capacities: 50 Amperes or less, for 3 wire, single phase, or 4 wire, 3 phase mains, with lugs only. Available with 4 to 42 circuits... Frank Adam Electric Company, St. Louis, Missouri.



## Latin-American Ties Tighten

War news may shove developments below Rio Grande into background, but new pact with Mexico points to aid being extended to neighbors and to postwar trade potentialities.

Good news from Tunisia and predictions from near the top that the mop-up is now only weeks away make reports of developments on the Latin-American economic front seem remote. But just as each mile gained on the sloping roads to the Mediterranean is a step toward victory, so each new tie binding the United States to its neighbors may be a guide rope for American business men who are looking for markets in the post-war world.

● **Link with Mexico**—In this perspective, the U. S.-Mexican economic pact and the joint economic study which is scheduled to begin May 15 have more than wartime significance. Solution of today's pressing problems below the Rio Grande will help guarantee the trade Americans foresee with Mexico tomorrow.

Most of Latin America's problems arise from the unprecedented American demand for their products, a demand that cannot be fully reciprocated under present wartime shipping and production restrictions. The result is a plethora of money and a dearth of both consumption and capital goods in nearly all Latin-American countries.

● **Gold—Panacea or Menace?**—In Mexico, money in circulation has nearly doubled since 1939. Wholesale prices have risen 30%, and consumer goods prices have jumped 40%. The proposed coinage of gold may drain off pressure from the market place, but what it will do to confidence in paper and silver is another question.

What Mexico needs and wants to buy can't be found any place at any price: (1) It wants the goods it used to import from the United States, (2) it wants a lot of the things it never before could afford, and (3) it wants and needs the goods that previously came from Europe and the Far East. Today Mexico is on its knees begging for help. The joint U. S.-Mexican economic mission may be able to give some aid.

● **The Pressing Problems**—Till now, our Board of Economic Warfare passed judgment on the essentiality of Mexican requests for goods, and nearly every one exceeded our capacity to supply. Most urgently sought are agricultural implements and machinery, parts and replacements for existing equipment, machinery to fill new plants for which money in

quantity is available (BW—Apr. 24 '43, p16), and, last in importance, consumer goods to refill emptying store shelves.

An over-all survey of Mexico's needs may well disclose means of alleviating her present distress. For one thing, idle plants in the United States could be moved more easily to Mexico than to other Latin-American countries. With the ancient fear that industrialization spells the end of American export markets almost completely buried, such a course of events is not to be decried.

● **Changes in the Market**—The Chase National Bank, in a recent survey, points to the greatly expanded market in Mexico which may result from warborn prosperity coupled with industrial advance and a rising standard of living.

"It seems probable," the report states, "that Mexico will become an excellent market for all types of heavy machinery for industrial plants, for building materials, for railroad equipment, for office machines, for trucks and automobiles, for electrical appliances, and many other articles during the coming years. Similarly, there is a good prospect of developing a wide market for agricultural machinery. . . . Of course the rate of expansion . . . will depend in a large measure on an increase in productive capacity with resultant expanding purchasing power. . . ."

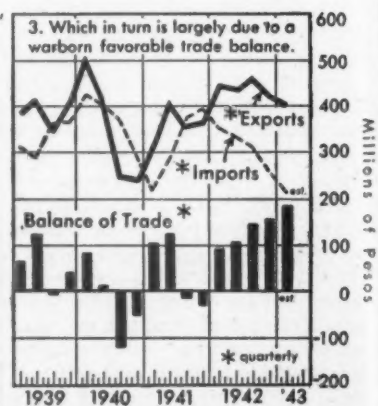
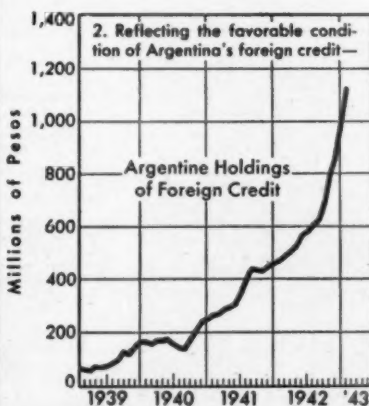
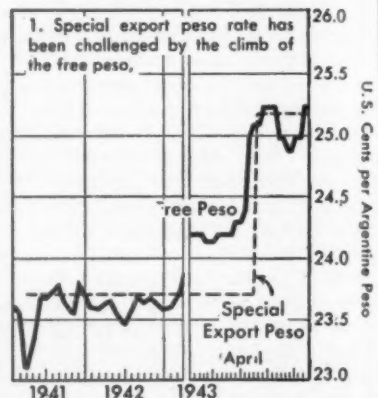
● **Brazil's Possibilities Vast**—A similar picture may be drawn of other Latin-American countries. Brazil is the outstanding example of a nation destined to be industrially potent, with a solid backbone of heavy industry and a frontier that is still hardly a yodel from the Atlantic ocean.

Argentina is already well along the road to industrialization. Manufacturing employment in 1942 was 12% above 1940, and 37% above 1937. For the first time, manufactured products exceeded agricultural output in value, amounting to 3,400,000,000 pesos in 1941 compared with 1,541,000,000 pesos in 1927.

● **Distributive Status**—But Argentina is economically bent in the direction of light industry and will always hold an important place as an agricultural pro-

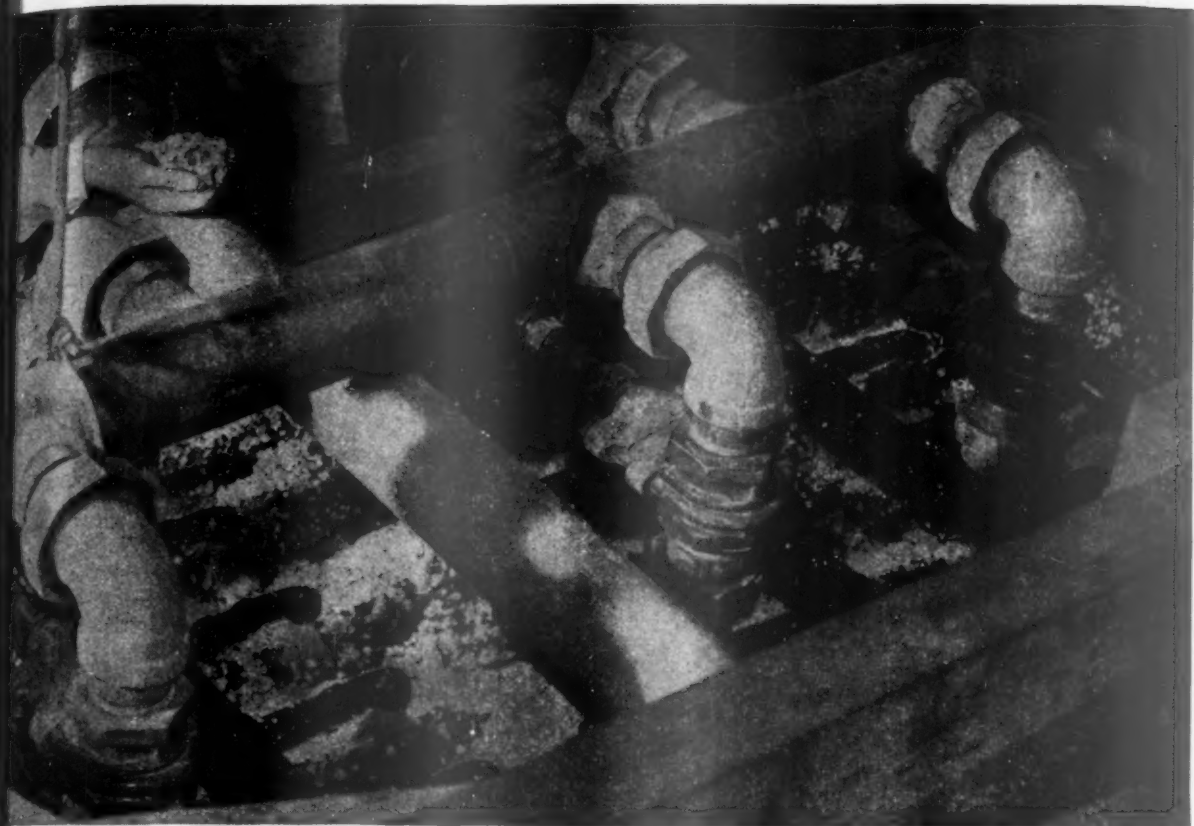
### WHAT'S HAPPENING TO THE ARGENTINE PESO

To its official peso rate—29.77¢ since 1939—Argentina in 1941 added a special export rate of 23.70¢, to cheapen hard-to-sell goods abroad. This bounded the unofficial free peso until recently; then pressure from Argentina's accumulating holdings of foreign flight capital, particularly U. S. "hedge" money—and from ever-larger favorable trade balances bid the free peso up, forcing Argentina to boost its special export peso rate to 25.19¢. This week, a ban was placed on the influx of dollars for anything but productive enterprises (i.e., mining, manufacturing, and export trades). Left in the cold were government bonds. But the free peso, not yet reacting to the investment barrier, topped the newly-set rate late this week.





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## OUT OF THESE FLOCS MAY COME THE FUTURE OF THE WORLD

These white crumbs or "flocs" look very unimportant in themselves . . . but on them may depend the future of the world. They are one of the first stages in the production of synthetic rubber, the most vital material being produced in America today.

Naturally, you are interested in synthetic rubber. But synthetic rubber is only incidental. What is really important is what happens to synthetic rubber after it is actually produced. It is chemistry that makes rubber fit to use, suits it to the task at hand.

United States Rubber Company is the largest manufacturer of rubber chemicals in the world. We have worked with rubber, improved it and broadened its uses for 100 years. Today, all this tremendous fund of knowledge of the chemistry of rubber is being drawn upon to improve synthetic rubber, perfect it for the jobs it must do for the Armed Forces and war industry.

The chemistry of rubber is what determines the final compounding and processing of the flocs of synthetic rubber you see here. They may eventually go into bullet-sealing hose, air ducts, or any one of a score of other parts used

in the plane that will blast the last Nip carrier off the sea. They may be made into a tire that will rumble down bomb-battered Unter den Linden. They may go into some essential equipment like a conveyor belt that will keep America's war production line moving at top speed. They might very easily determine the entire course of the war, and thereby the future of the world.

Synthetic rubber, its production, compounding and application to war and industrial uses, is too big a story to present adequately here. There are five basic commercial types of synthetic rubber. Each of them has distinct properties and characteristics. Not a single one is ideal for all purposes.

Deciding which synthetic rubber to select and use for a particular task is an equally big story, a decision that requires expert knowledge and broad range experience.

We have told the story of the five basic commercial types of synthetic rubber, our more than twenty years of experience in working with them, and our twelve years of using synthetic rubber commercially in an interesting, informative booklet for business executives. Please ask for your copy on your regular business letterhead.



# UNITED STATES RUBBER COMPANY

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**SUB-STANDARD PACKAGING**

# Torpedoes Shipments



**F**ANTASTIC? Not at all. Poor packaging is helping to sink rail shipments at the rate of 275,000 loss claims a month in the U. S. Vital materials are being wasted . . . manpower is being wasted . . . shipping space is being wasted . . . Victory is being delayed . . . unnecessarily.

Inferior packaging may appear more economical. It isn't. A few additional pennies invested in sufficiently rugged and properly engineered corrugated boxes insure production factors worth hundreds of dollars.

If you're concerned with safer delivery of your products . . . and who isn't? . . . ask the H & D Package Laboratory to analyze your corrugated shipping boxes. They can show you practical ways to armor your products . . . and save you money.

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You'll find them invaluable as a handy "refresher-course" in economical, efficient packaging. Full of practical information on every phase of shipping and distribution, they'll save you time and trouble all year 'round. For free copies, write . . .

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ducer. The republic's geographical situation destined it to continue in the role of major distributor of foreign goods to South American countries below the bulge of Brazil.

The economic mission to Mexico follows in the wake of other groups of U. S. experts who have surveyed the Latin American horizon, looking primarily for products immediately needed in the American war effort but always alert to ways of aiding the economies of our neighbors. Most famous and successful of these was the economic mission to Brazil, headed by Morris L. Cooke (BW—Nov. 28 '42, p18).

• **OPA Adviser's Tour**—James P. Davis, special adviser to OPA on Latin-American conditions, recently completed a six-country tour in the interests of economic stability, conferring with price control, treasury, and commerce department officials in Chile, Peru, Ecuador, Bolivia, Colombia, and Argentina. In almost all countries, the primary headache is inflation, and while no one is likely to attribute infallibility to American anti-inflation measures, our suggestions may prove helpful.

The fruits of these efforts to aid Latin-American nations during the war can be measured now in tons of critical metals and rubber, in boatloads of vegetable oils and fibers, and in airfields and fueling depots linked directly to war operations. In the future, these many activities may continue to show returns as Latin-American nations expand their demands for U. S. goods and provide increasingly large amounts of raw materials for American industry.

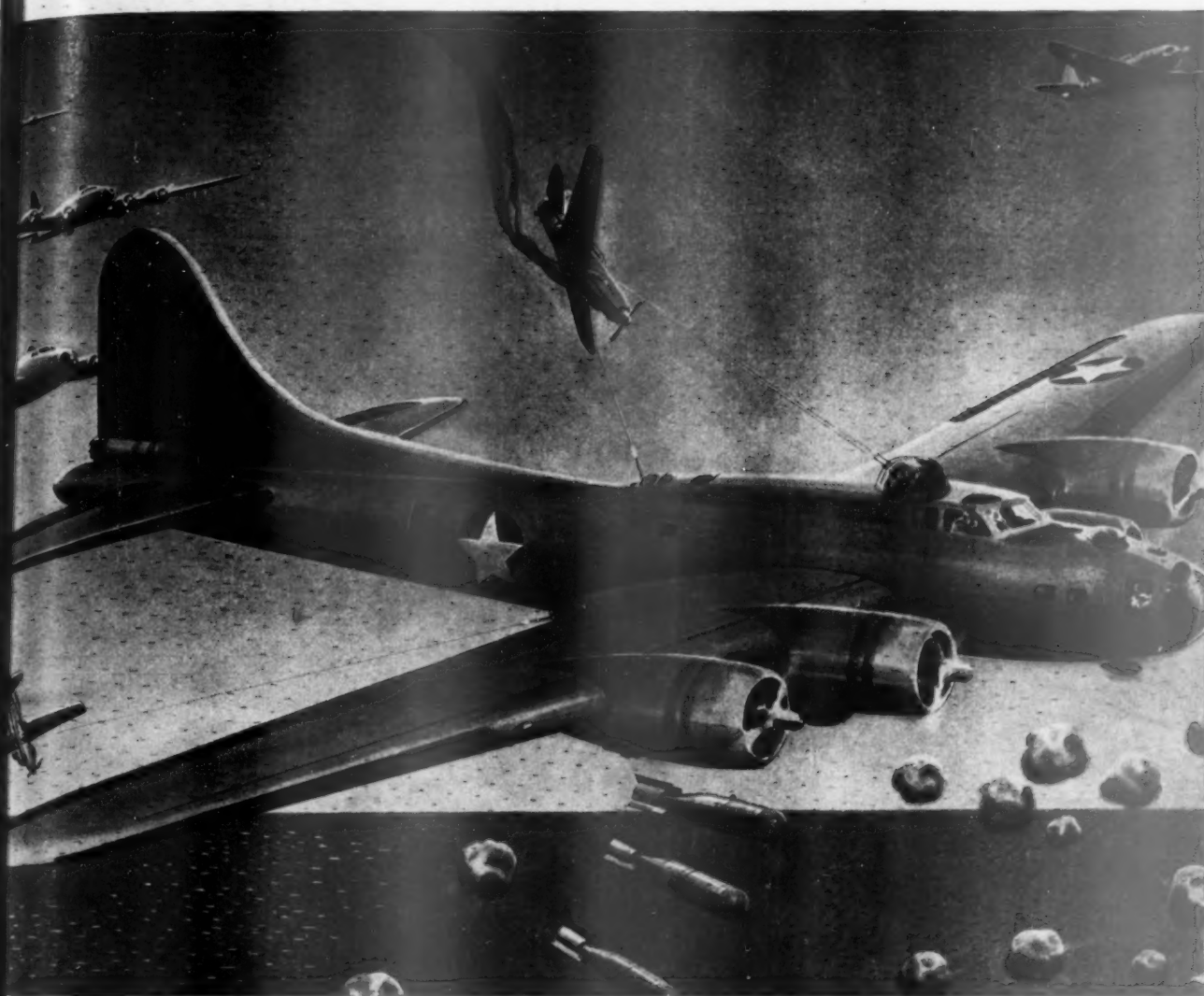
## Soaring Billions

Lend-lease report shows American aid has passed its tenth billion; munitions and industrial supplies top the list.

American lend-lease aid rolls on, topping the \$10,300,000,000 mark by April 1, 1943. Goods transferred on that date totaled close to \$8,500,000,000. If earlier conditions still prevail (BW—Feb. 6 '43, p46), as much as \$800,000,000 of these goods may be at American ports awaiting shipment.

• **Britain Heads List**—In the first quarter of 1943, the United Kingdom received 38% of lend-lease shipments. Russia followed with 31%, Africa and the Middle East got 16%, and the Far East (including India) received 14%. Shipments to other areas amounted to only 1% of the total.

Food continues to be an important item in lend-lease, amounting to \$1,269,000,000 (15%) to date, with more than 90% destined for Britain and the Soviet Union. Although there is in-



*Fletcher Pratt, noted military authority, helped us prepare this striking picture showing units of our Air Force attacking a U-boat construction center.*

## SINKING *U-boats* BEFORE THEY'RE BORN

Modern air power depends on precision instruments—bombsights, machine guns, cannon, navigation instruments, electronic communications devices. These and a vast amount of other equipment essential to the war effort benefit from Westinghouse Air Conditioning and Industrial Refrigeration.

Producers who formerly "got along without" have proved that controlled temperature, humidity and air cleanliness mean uniform quality, precision, fewer rejections, faster production.

When peace comes, a thousand new-day benefits

will result from Westinghouse Air Conditioning and Industrial Refrigeration. Better products at lower cost, greater year 'round comfort and convenience—better living for all.

In helping solve "conditioning" problems, Westinghouse offers years of development and diversified experience—also a hermetically-sealed compressor which assures economy, dependability, long life. Inquiries are invited from producers of war materials and postwar planners. Westinghouse Electric & Mfg. Co., 639 Page Blvd., Springfield, Mass.

## Westinghouse *Air Conditioning*

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creasing emphasis on food for Russia, Britain's share so far has been about 80%.

● **Munitions Bulk Large**—Munitions dominate U. S. lend-lease transfers, comprising 55% of the total, followed by industrial supplies with 27%. Services rendered—including shipping and ship repairs and production facilities in this country—constituted 18% of the program.

Reciprocal aid, not yet easily measured as an account-book item, is being rendered by Allies in proportion to their ability, according to Edward R. Stettinius, Jr., lend-lease administrator, in his latest quarterly report. Including only the construction costs of airdromes, barracks, hospitals, and other buildings, and exclusive of troop feeding and maintenance expenditures (BW—Feb. 27'43, p102), Britain's reverse lend-lease aid is estimated to exceed \$600,000,000. Australia and New Zealand are providing supplies and services to U. S. troops in the Pacific sector.

Canada has a lend-lease program of her own which is heading toward a \$2,000,000,000 total this year.

Even North Africa, to which food and relief shipments of about \$26,000,000 have been made, has turned over a check for \$15,000,000 to Allied headquarters, according to the Lend-Lease Administration.

## Britain's Gamble

**While liquidating other assets, England has retained Latin-American investments, and returns are increasing.**

In the dark days of 1940, when Britain stood almost alone against the Axis, the cost of survival was measured in part by liquidation of British assets to pay for war materials. In the first two years of war, Britain slashed its U. S. holdings from \$4,483,000,000 to \$1,527,000,000 (BW—Oct. 18'41, p15). Since then, the total of investments is believed to have fallen still further, to \$1,000,000,000 or less.

● **Returns Increasing**—Throughout the world—except in Latin America—British divestiture progressed. Despite growing sterling obligations to Latin America, British investments remained almost static, and a recent survey shows that returns on these investments have taken an upturn.

No official canvass of British holdings in Latin America is kept on a current basis, but an 80-year-old London weekly, the South American Journal, publishes an estimate each year compiled from listings of stocks and bonds on the Lon-

don stock exchange (table page 42).

● **High and Low**—More important than the totals of British investments (which are admittedly incomplete) are (1) the rate of return on investment which has hit an eleven-year high, and (2) the drop in noninterest-bearing investments which have reached a twelve-year low.

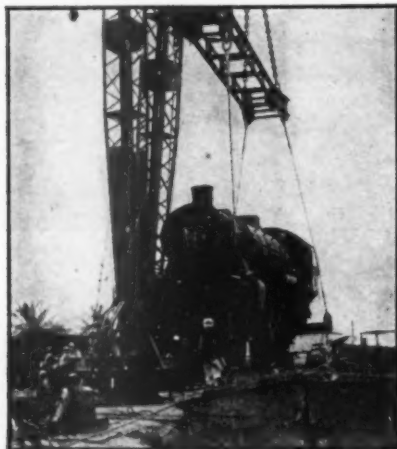
Available data on American investments in Latin America do not permit direct comparison. For one thing, many British stocks have been dropped from the listings due to infrequency of trading and the paper shortage. Second, the Dept. of Commerce study of American direct investments abroad in 1940 (BW—Aug. 22'42, p62) covers only foreign holdings of American corporations and includes wholly owned subsidiaries—on which no publicly owned securities are outstanding—a category not covered by the British survey.

● **Government Bonds**—However, data on American-owned Latin-American government bonds, compiled by the Foreign Bondholders Protective Council, Inc., are roughly comparable with British figures for similar holdings. Into this category, Britons have put nearly 30% of all money invested in Latin America: \$1,072,000,000 of a total of \$3,642,400,000. (All figures are converted at the rate: £1=\$4.00.)

According to the council, American investments in Latin-American bonds totaled \$1,556,000,000 at the end of 1941, 74.5% of which were considered to be in default, although about 4% were paying interest despite default on sinking funds. Therefore, 70.4% were reported as in complete default.

● **British in Better Shape**—British investments in Latin-American dollar bonds, however, were in much better shape—only 13% being in complete default—for three reasons: (1) The largest single block of investment is in Argentina, the only country with no bonds in default; (2) dependence on British markets enabled Britain to pressure Argentina into servicing investments even in bad times; and (3) nearly all of Britain's Latin-American investments were made prior to 1914, hence have received preferential treatment over American Johnny-come-lately investments. Even so, in 1938 when 77% of U. S. investments in dollar bonds were in default, 62% of British holdings went without remuneration.

In other divisions of investment, British money has been most heavily interested in railroads and, particularly, Argentine railroads. Total holdings in 1942 amounted to \$1,644,000,000, and the Argentine share was \$1,040,000,000. Last year 73.7% of British rail investments went without return, and the average of 1.2% was the lowest return of any investment category. Argentine rails with a 1.4% return were topped by Brazil with a 2% return. In other countries, the percent of railway investment



### AID TO RUSSIA

Carrying everything from tanks to beans, the railroad and highway that make Russia's lifeline across Iran are delivering American war supplies from huge convoys in the Persian Gulf to pickup stations on the Soviet border. Steadily arriving American locomotives (left) boost the hauling capacity of the new 1,400-mile Trans-Iranian Railroad, and hundreds of the incoming trucks remain permanently in the highway shuttle service (below). Planes are delivered under their own power.





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## British Investments in Latin America

### TREND OF RETURNS AND DEFAULTS

Year	Total Investments (In Millions of Dollars)*	Interest Returned (In Millions of Dollars)	(% Return on Total)	Investments Bearing No Interest (In Millions of Dollars)
1942.....	3,642	84	2.3	1,673
1941.....	3,682	71	1.9	1,619
1940.....	4,372	75	1.7	2,197
1939.....	4,512	76	1.6	2,792
1938.....	4,597	79	1.7	2,624
1937.....	4,619	104	2.2	1,986
1936.....	4,644	90	1.9	2,086
1935.....	4,759	83	1.8	2,629
1934.....	4,824	82	1.6	2,833
1933.....	4,807	84	1.7	3,166
1932.....	4,740	95	2.0	2,882
1931.....	4,887	160	3.2	1,657
1923.....	4,607	174	3.8	1,333
1913.....	3,997	191	4.7	329

### DISTRIBUTION BY COUNTRY, 1942

Country	Total Investments (In Millions of Dollars)*	Interest, 1942 (In Millions of Dollars)	(% Return on Total)	Investments Bearing No Interest (In Millions of Dollars)
Argentina.....	1,549.2	37.4	2.4	811.7
Brazil.....	951.6	18.8	2.0	139.9
Chile.....	200.5	3.6	1.8	43.9
Uruguay.....	144.4	4.1	2.8	51.9
Mexico.....	368.7	2.6	.7	332.8
Cuba.....	107.9	1.3	1.2	90.4
Peru.....	113.0	2.2	2.0	73.8
Venezuela.....	58.9	5.0	8.5	28.4
Colombia.....	24.5	.5	2.0	14.5
Bolivia.....	17.7	5.6	31.6	2.9
Guatemala.....	34.9	.4	1.2	25.2
Ecuador.....	14.6	.3	2.1	8.6
Paraguay.....	10.2	.1	1.4	7.8
Costa Rica.....	17.8	.3	1.4	13.6
Honduras.....	5.1	.....	.....	5.1
Salvador.....	3.4	.....	.....	3.4
Nicaragua.....	.....	.....	.....	.....
Shipping.....	20.1	1.2	5.9	.....
Banking.....	16.2	1.0	6.0	.....
Shipping and Banking	36.3	2.2	6.0	.....

Source: South American Journal, London

\*Converted at rate: £1 = \$4.00

in default ran: Cuba, 86.1%; Uruguay, 87.0%; and Mexico, 100%.

• **Banking Return Higher**—Investments in banking and shipping corporations, amounting to only \$36,000,000 in 1942 (a high of \$208,000,000 was reached in 1923), gave a return of 6%—higher than in any year since 1913. The rise has been steady, from a low of 1.1% in 1932.

Investments in miscellaneous enterprises—mining and manufacturing, largely—amounting to \$900,000,000, gave a 4.5% return in 1942, a high point in an upward curve begun in 1934.

• **Gilt-Edged Tin**—Most spectacular of the data provided in the London journal's survey was the reflection of the wartime boom of tin mining in Bolivia. On a total Bolivian investment of \$17,600,000, principally in mines, the 1942 return amounted to \$4,800,000, or 31.6%—a long jump from a 1941 return of 3.4%.

The rising rate of return on investment, the declining proportion of defaulted interests, combined with the comparatively small decline in investment in the area, are signposts for the

future of British relations with Latin America. But the major question is: Will Britain balance accumulated sterling credits owed to Latin America by seizing private holdings in exchange for British government bonds, or will these balances be held to guarantee markets for British goods in the first years of peace?

Last year Argentina's favorable export trade with Britain gave her a \$104,000,000 credit balance, but during the year nearly half this amount was expended on repatriation of both government and private issues.

• **War Boosted Value**—One argument favoring disinvestment, quietly noised around banking circles, is that wartime prosperity has boosted the value of Latin-American holdings—as well as their returns—and paying off now would be to Britain's advantage.

For American investors, patiently watching for some gleam of hope for a return on the billions poured into Latin America in the twenties, the trend is encouraging and one that may be fortified by continued good-neighborliness.



## CANADA

### Lockout Medicine

Dominion aims reprisals at defiant workers by shutting down plant, guards U. S. border to prevent escape.

OTTAWA—In the shutdown of the Vancouver plant of Boeing Aircraft of Canada, Ltd., last week, when 9,000 employees defied an Ottawa ruling barring rest periods, the Dominion demonstrated its determination to cope with labor disorders in war plants.

• **Unauthorized Rest**—Aircraft Production Director Ralph Bell ordered the plant closed when the workers, members of the A.F.L. Aeronautical Mechanics' Union, took an unauthorized ten-minute rest from the production of Catalina flying boats and parts for other aircraft.

Munitions Minister C. D. Howe is prepared to take the same steps in other plants hampered by labor trouble, particularly where production is up to requirements or where some degree of retooling is necessary to shift to another product. For maximum effectiveness of the Boeing shutdown order, Canadian authorities are reported watching the U. S. border to prevent Boeing workers from crossing to higher-paid jobs in American Pacific Coast plants.

• **Many Shutdowns Ahead**—Canada's stockpiles of shells, guns, mechanical transport, and other equipment are considered adequate to meet expected demands for the balance of the year, and a good many plants will be closed regardless of labor trouble. The bottleneck is ocean shipping. Railroad sidings are blocked with cars loaded with war equipment.

The other main reason for coming suspensions in war plant operations is the redesigning of guns and other equipment on the basis of experience of Allied armies in Africa. There will be extensive retooling in a lot of plants.

• **More Ships and Planes**—The war production situation here is similar to that in the United States. While some armament plants are being retooled, shipyard and aircraft plant operations will be speeded up. Howe plans to transfer workers from suspended plants to shipbuilding and aircraft works.

Labor Minister Humphrey Mitchell has been given power under a government order for compulsory transfer of workers from one employment to another (BW—May 1'43,p60). Where workers disobey the order, they can be treated in the same way as conscientious objectors and sent to work camps and paid 50¢ a day.



## What Price Clean Floors?

The wisdom of maintaining clean, safe, and sanitary floors is beyond question of doubt. The personal safety of the men and women in our war production plants and the need to help curb mounting absenteeism due to accident and health hazards—such as slippery, unclean floors—are primary considerations of industrial management. *The question is:* How can the essential standards of floor care be maintained in large-area production plants without drawing unnecessarily on man-power that is so sorely needed for war-work? There's only one answer—*Electrical Floor-Scrubbing Equipment.*

For example, take the *Finnell Combination Scrubber*. In the largest size, which has a capacity of 8,750 sq. ft. per hour, it can clean a floor area the size of a city block in 6½ hours! . . . and requires just one operator for the scrubbing, rinsing, and drying!

If your plant is engaged in war work, and has a floor-maintenance problem, talk it over with the nearby *Finnell* man. For consultation, free floor survey, or literature, phone or write nearest *Finnell* branch or *Finnell System, Inc.*, 3805 East Street, Elkhart, Indiana.

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THE PROBLEMS of supply, packaging, rationing are tough enough. But here is another that every food manufacturer has to face.

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And if you are or will be in the market for vitamin A, get the facts about what we believe to be the finest vitamin A concentrate obtainable.

Distilled Vitamin A Esters\* is the name. This concentrate of vitamin A in the natural Ester form is produced by molecular distillation in high vacuum, a process which gives the resulting concentrate several unique advantages.

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## NO DOLLAR REVALUATION

Canadians—importers in particular—who thought their dollar was about to be revalued at a higher rate or at par with the American because Canada's credit balance of U. S. exchange is now substantial are just out of luck. Finance Minister J. L. Hsley announced Canada's favorable position just before the Easter recess of Parliament, but Ottawa's Foreign Exchange Control Board has no intention of relaxing its controls or modifying the differential.

Immediate reason for keeping the Canadian dollar at a discount in the U. S., despite the trade and exchange balance, is the probability that these balances will not long be maintained. Shifting of the emphasis of war production, involving concentration on shipbuilding and aircraft and the discontinuance or lowering of output on lines now well stockpiled, may cause U. S. buying in Canada to fall off.

But the basic reasons for Ottawa's adherence to the differential are what they have been all along: benefit of premium on exports, discouragement of unnecessary importing, and maintenance of maximum credit showing on supplies to Britain, even though the bulk of these are not being paid for.

## PROTECTING CONVOYS

OTTAWA — Increased emphasis on construction of ships and aircraft dovetails with the new London-Ottawa-Washington arrangement under which Canada assumes official responsibility for protection of the western half of the northwestern Atlantic convoy routes to Great Britain, with Great Britain taking over at midway points.

Canada has been providing protection for most of the western half but without any formal division of responsibility with Britain. From now on, protection for the western half will be under Canadian naval and air force commands, with Rear Admiral L. W. Murray as commander-in-chief of naval escort operations and Air Vice-Marshal George Johnson, R.C.A.F., in control of the aircraft umbrella over the convoys to midocean.

The equal division of escort operations between Britain and Canada does not affect responsibility of the United States for the strategy of western Atlantic warfare.

## CANADA'S INCOME SOARS

The Dominion Bureau of Statistics has announced that in February Canada's national income was being produced at the rate of \$8,400,000,000. This compares with a level of \$4,100,000,000 in 1938 and \$7,040,000,000 in 1942. Income taxes collected by the Revenue Dept. in the fiscal year ended Mar. 31, 1943, totaled \$1,378,000,000.

# Would you trust this man?

(Case No. 199,267 from U. S. F. & G. files)

A southern real estate company trusted him. And why not? He was secretary of the concern . . . employed for over 15 years . . . enjoyed an irreproachable reputation . . . was married and had several children. Yet he embezzled nearly \$30,000! Fortunately he was bonded through U. S. F. & G., so his company was spared financial loss.

Appearance, reputation, background provide no absolute clue to character. The only sure protection against embezzlement losses lies in insurance, and when an insurance company is willing to write fidelity bonds covering your employees that is a tribute to their honesty and integrity. If your company has not reviewed its bonding program in the light of today's employment problems, we suggest that you do so at once.

Illustrated on this page are other cases, showing some of the hazards that demand insurance protection as a safeguard against financial loss. Your local U. S. F. & G. agent will be glad to make an audit of your present insurance program to help guard against wartime risks. He is one of thousands serving communities great and small throughout the United States, its possessions, and Canada. Consult him today.

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(Case No. 1-B-3524)

### Robber makes off with payroll

It was an unhappy payday for the employees of the dress manufacturing concern when the robber held up the bookkeeper and made off with the \$2,140.49 payroll. But thanks to payroll insurance, the concern suffered no loss and the employees received their pay. Crime usually increases during a war. Are you protected against such losses?



(Case No. 21-G-1326)

### Tire spins stone through window

One moment the proprietor of the Pennsylvania store was sitting peacefully in his shop . . . and the next, his display window was shattered to bits. The cause: a stone kicked up by a passing car. The cure: plate glass insurance with U.S.F.&G. who replaced the window and saved the shopkeeper loss. Are your windows, glass doors, or display cases similarly protected?





# PRODUCTION

## Guarding Cotton

Chemical fungicides tried to protect service fabrics from mildew, dry rot, and termites, with promising results.

Search for a chemical solution that will prevent mildew, dry rot, and termites from damaging cotton fabrics used by the Army and Navy is meeting with some success, the Dept. of Agriculture reports, and the life of sandbags, canvas, cartridge belts, bags, etc. is thus being prolonged. Untreated sandbags may last barely two or three weeks in the tropics, but it is now possible that they can be treated to last two years. Damage to stored cotton equipment from rots, moulds, and even termites is likewise being reduced.

• **Making the Test**—Tests of fungicides took at least 14 days until recently when they were cut to half that time by laboratory methods using pure culture tests instead of slower natural exposures to harmful spores and enzymes. The method is simple: A piece of cotton batting is soaked in ammonium nitrate, dipotassium hydrogen phosphate, magnesium sulphate, tartaric acid, and distilled water. Placed in a bottle, it is incubated at 85 F. until nothing is left but some blackish specks that are spores and enzymes. Strips of the material fabric to be tested are now placed in the bottle, and five days later it can be seen whether the sample is whole or damaged. If found whole, the chemical used to impregnate the material has proved itself a useful fungicide. Fabric strips are tested for tensile strength on Scott breakers.

Three classes of fungicides, among others, are proving helpful: heavy metal naphthenates (particularly copper), chlorophenols, and cuprammonium compounds. Each has some good and some bad qualities; copper, for instance, is fine for sandbags but because of its greenish color and stiffening qualities isn't so good for tenting as the harder-to-apply chlorophenols. All three groups, however, have the advantage of being inexpensive.

• **Foot Ailment Attacked**—Hopes that athlete's foot may be controlled by treated socks or shoe leathers are still unrewarded. Several manufacturers are trying to find a chemical that will make socks resistant to bacteria or fungus, and Agriculture researchers are working on leather, but to date athlete's foot continues to be a trouble to troops, especially in the tropics.

The damage done to construction by rotting fungi and termites also has been impressed on the military forces since they went into the tropics and North Africa. Housing and bridges resting on moist soil have been swiftly attacked, and the damage done is making new construction necessary. No preventive measures can be compared in effectiveness to proper building construction planned to keep termites out, but to meet the emergency, agriculture and chemical manufacturers are concentrating heavily on determining the effectiveness of creosotes and arsenicals when applied to woods of different species, both native and foreign.

• **Impregnated Under Pressure**—The oldest method of treatment is to brush or paint the wood with the liquid. For buildings already up, the soil around them may be poisoned from a trench dug close to the foundations. Where equipment is available, poles and lumber are impregnated under pressure in tanks so the termite-repellent liquid penetrates deeply.

For fence posts and similar work, the sap stream method is used. This system is much like that by which a florist creates St. Patrick's Day carnations by standing white flowers in green dye until they drink it up. Trees, too, will drink up chemicals in a couple of hours that, in a day or so, will circulate to every twig—making the wood termite-proof, resistant to rot, and capable of giving much greater service. Copper sulphates and zinc chlorides are used in the sap stream system of combating rot and termites.



Laboratory technicians of the Dept. of Agriculture have speeded their research to learn more effective methods of combating termites (above), mildew, and dry rot which sabotage Army buildings and equipment in the tropics.

Termites are as annoying in North Africa as in the South Pacific. They feed on cellulose whether it's in wood, paper, or fabrics. A few woods like California redwood, tidewater red cypress, pitch longleaf pine, teak, and camphor are naturally resistant to the depredations of termites.

## Armor Speeded

Ford devises press which combines two operations, thus slashing time required on heavy plate production.

Manufacture of armor plate at Ford Motor Co. has been speeded by means of a method for combining the quenching and straightening operations, reducing several hours' customary work to two or three minutes.

• **Steel Waffle**—The medium is a press whose jaws somewhat resemble those of an oversize waffle plate. The armor steel comes from the heating furnaces into the press at glowing heat, and the jaws close. The pads of metal hold the plate straight, while water under high pressure sprays out of the sides of the pads, quenching the steel and preparing it for movement to the draw furnaces when the heat-treating cycle is then brought to an end.

The metal protuberances cover only about 10% of the plate, and they are hollow, so the water gushing through them will act to cool the segments of the plate that they cover.

• **Installed in Sections**—Both the top and the bottom dies used in the press are installed in sections, so if any cracking develops or a pad breaks off it is not

# How good is the helmet your soldier wears?



If you're an American soldier . . . or have a son, brother or husband who is . . . you'll get a lot of comfort out of the answer to this question.

The new-style American helmet gives your soldier real protection against shrapnel and grenade fragments. Against glancing bullets. In rigid Army tests, it can even tangle with a .45 bullet fired at close range, and have nothing but a dent to show for it!

They call it a "tin hat." But that outer shell is steel, strong and tough. And thin enough to avoid burdening the soldier with too much weight.

This special steel is hard to make. It takes unusual facilities and specialized treatment. United States Steel is producing practically all of it.

Other amazing things are coming out of steel laboratories these days. United States Steel, for example, has developed for certain war uses a stainless steel wire that's thinner than human hair.

## Your stake in the new steels

Right now, the new steels are helping to preserve American freedom. But after the war, the products you make will be able to share in their advantages.

As long as the war lasts, the U-S-S Label won't be able to help you sell. These trademarked steels have gone to war. But when peace is won, this label on the products you make will again assure your customers of quality steel . . . the material that has no rival in usefulness and long-range economy.

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The critical selection of materials and alloys by aircraft designers is engaging the attention of all industry. Perhaps you also have equipment parts subject to unusual stress and wear. The use of Ampco bronze undoubtedly can produce results that are a credit to you — enabling you to overcome metal fatigue, wear, and failure in these critical parts . . . Suggest the use of Ampco Metal to your key men. Write today for "File 41—Engineering Data Sheets."

### AMPCO METAL, INC.

DEPARTMENT BW-5

MILWAUKEE, WISCONSIN



necessary to replace the entire plate. However, Ford engineers report that problems of this sort have been reduced to a minimum.

The waffle die installations are the latest step in experimentation at Ford which began when the difficulty of obtaining a battery of straightening presses, customarily used after quenching, was encountered. The first move was to try flat and hollow platens as jaws, but recent cracking made their use impractical, although they combined the quenching and straightening operations. This newest development, having been put through a testing period, now appears successful and hence will be extended to all the presses that are necessary for the operation.

### INSECTS BOMBED

An improved exterminator for use against the garden and household variety of pests is now available.

The aerosol, or fine-fog, method of spreading insecticides was developed by Dr. L. D. Goodhue, chemist, and W. M. Sullivan, entomologist, of the department's Beltsville (Md.) Research Center. Westinghouse Electric & Mfg. Co. (BW—Mar. 13 '43, p20) and Armstrong Engineering Co. are producing "bombs" of the aerosol insecticide in great quantities, and Bridgeport Brass Co. would like to make them. More than a million of these "bombs" are en route to, or are in use on, the fighting fronts, for the



### SIGHTING WITH MIRRORS

Garand rifles' sights are now aligned by a girl and a new General Electric gage in two minutes, without firing a shot. A mirrored plug inserted into each rifle's bore shoots a beam of light instead of a bullet at a screen. When magnified shadows of the front and rear sights are brought into alignment with the beam, the rifle is as accurately sighted as though an expert rifleman had expended twice the time and a dozen rounds of ammunition.





# A WORKINGMAN has gone to war

**CHUCK HARDY**, American workingman, has laid his overalls aside and put on a uniform. He has put down his tools and picked up a rifle. Chuck Hardy is an American hero.

Bemis Bags always have been the *workingmen* among packages. True, they have also proved star salesmen, but first and always they have been rugged fellows who did the tough jobs in protecting merchandise.

Now many Bemis Bags have gone to war to help Chuck Hardy do a better job of fighting. They are protecting his food—forming sandbag barricades to shield him from shrapnel—serving him in scores of other ways. Other Bemis Bags are serving on the home front, transporting food and other essentials for workers behind the men who man the guns.

In supplying both these fronts we are continually finding new uses for bags. If you have a packaging problem, present or future, let's talk it over.

☆ ☆ ☆



**This Bemis Bag Goes to War**  
Many Bemis burlap bags now go to war as sandbags but they have been efficiently replaced by other bags, either from our extensive line or newly developed in our research laboratories.



**This One Serves the Home Front**  
Sturdy Bemis multiwall paper bags have proved economical and efficient containers, and are worthy aides to cotton bags in their added work of pinch-hitting for burlap now on war duty.

## Bemis Bro. Bag Co.

GENERAL OFFICES: 403 POPLAR STREET • ST. LOUIS, MO.



★BUY MORE WAR BONDS

**The Fact-Power OF KARDEX**  
SIMPLIFIES  
MANNING TABLE PLAN OPERATION

WHICH?  
AND HOW SOON?

**SELECTIVE SERVICE**

## KARDEX PROVIDES MANNING TABLE FACTS IN ONE CENTRAL SPOT!

Manning Tables and Replacement Schedules allow you, in cooperation with your State Selective Service Headquarters, to determine *which* of your employees may be drafted, and *when*.

The Kardex Manning Table Record System is expressly designed to handle this job quickly, accurately. Easily set up, easily maintained by your present Personnel Department Staff, this Kardex System provides in *one central place*, all the information needed for preparation and maintenance of Manning Tables and Replacement Schedules. Send for the new free folder describing in detail the Kardex Manning Table Record System. No obligation. Write today.

### OVER 90% OF VITAL FACTS SHOWN ON KARDEX VISIBLE MARGIN:

- |                                       |                            |                           |
|---------------------------------------|----------------------------|---------------------------|
| 1. Job Title                          | 5. Color of employee       | 10. Up-grade or transfer  |
| 2. Month prepared to replace employee | 6. Handicapped             | 11. Degree essential      |
| 3. Job Code Number                    | 7. Marital Status          | 12. Board Number          |
| 4. Job to be re-engineered            | 8. Dependents              | 13. Birth date            |
|                                       | 9. Selective Service Class | 14. Under age or Over age |

**FACT-POWER** Exclusive with Kardex, means vital facts are aligned for instant selection, assuring prompt and accurate administrative action.

**REMINGTON RAND**

protection of soldiers against mosquitoes and flies.

To produce the fog, the scientists fill the bombs, under extreme pressure, with a liquefied gas (dichlorodifluoromethane) and an insecticide—pyrethrum with sesame oil to combat mosquitoes and flies. A single puff released by the thumb mechanism will kill every yellow fever mosquito in 1,000 cu. ft. in five minutes.

While not now available to the public, the bombs promise a wide range of postwar uses in home and greenhouse.

## CHAIN FOR ROPE

Weldless chain is proposed as relief for civilian shortages in ten of the smaller diameters of government-monopolized manila rope ( $\frac{3}{8}$  to  $\frac{3}{4}$  in.) by The Chain Institute, 208 S. La Salle St., Chicago.

Not to be confused with welded chain which has as many wartime uses as rope and is almost as scarce, the weldless variety with its several designs of twisted steel wire is in fairly long supply with additional manufacturing capacity available. The institute has just completed a study on the comparative strengths of rope and chain and is issuing a free chart showing what size chain will carry the load of which size rope.



## ELECTRONIC "STITCHER"

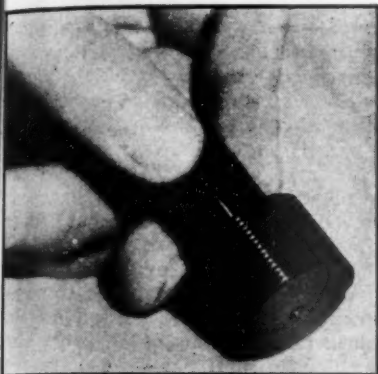
Thermoplastic fabrics can now be joined in airtight, waterproof seams with a new electronic "sewing machine" that uses radio frequencies instead of needle and thread. By inducing heat in the synthetic cloth, the device welds a seam that is stronger than the material. It was developed by the Radio Corp. of America laboratories at Princeton, N. J., and is applicable to such products as raincoats, shower curtains, and barrage balloons.

# NEW PRODUCTS

## Gage-Wear Detector

When a precision gage becomes worn as little as 0.0001 in., it is frequently useless for inspections to the close tolerances required by hundreds of items in war or civilian production. Thus it is that many manufacturers maintain elaborate and expensive departments for checking gages and reconditioning them.

To save such departments time and money, Protective Coatings, Inc., P. O. Box 56, Strathmoor Station, Detroit, is



just introducing its new Visual Gage-Wear Indicator. It is a chemical treatment, applied as an operation in gage making, which darkens a gage to a shade like that of the thread gage illustrated, and at the same time builds it up 0.0001 in. In the event of wear, tampering, or accident, any changes in a treated gage can be detected instantly by the fact that bright metal shows through. Losses in dimension due to natural wear can be rebuilt with the same chemical treatment. If a greater tolerance than 0.0001 in. is permissible in a particular gage, it can be built up to as much as 0.0005 in. in steps of 0.0001.

## Time Meter; Coil Counter

Two new instruments with many but differing uses in industry are coming from General Electric Co., Special Products Section, Schenectady, N. Y.: an Electronic Time-Interval Meter for accurately measuring intervals as short as 0.0001 sec.; and a Precision Coil-Turn Counter for determining precisely the number of turns in wound electric coils.

The meter can be set to measure any interval between 0.0001 sec. and 3 sec. More specifically, it measures the gap between any two events that can be converted into electrical impulses, such as the elapsed time between the closing of two controls, between two impulses to a phototube, or between an electrical impulse and a light impulse.

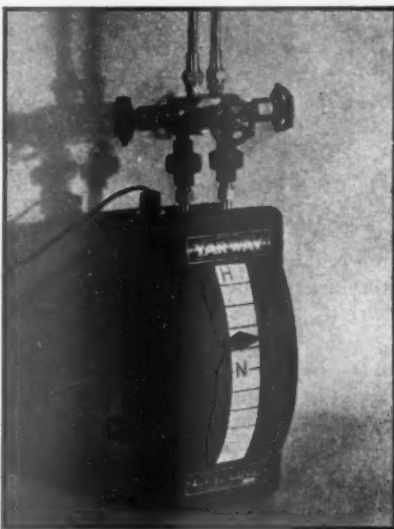
The counter is accurate to "one turn

in a thousand for coils having air cores at least  $\frac{1}{8}$  in. in diameter, outside diameter of 8 in. and less, a coil buildup to  $2\frac{1}{2}$  in., and up to 6 in. in height. Accuracy is not as high for coils outside these limits."

## Water-Level Indicator

Readings of the water level in a boiler are considerably facilitated by the new Eye-Line Indicator, manufactured by Yarnall-Waring Co., Chestnut Hill, Philadelphia, since it can be mounted at eye level on the instrument panel or on a convenient wall or post. Two tubes run to the instrument—one from the top and one from the bottom of the boiler—rendering installation easy.

Pressure from each location is balanced on two sides of a diaphragm and transmitted magnetically in such a way that the water level is shown accurately



by the shadow of a pointer on a lighted dial. Normal levels are shown on a green-lighted portion in the center; high and low levels, in red-lighted portions at the top and bottom respectively. A single model serves for boilers with pressures up to and including 1,500 psi.

## Inorganic Finish

No priorities are required for Silco, a new type of one-coat finish formulated upon an inorganic base by Mitchell-Bradford Chemical Co., 2446 Main St., Stratford, Conn. It is offered as a protective coating for steel, brass, and chrome plate which is "remarkably resistant to abrasion, heat, and corrosion."

It is applied by spray, dried for 5 min. at 210 F., and baked 45 min. at 350 F., after which it is reported to withstand temperatures up to 1000 F. Present



Hundreds of accidents, thousands of lost production-hours, millions of unnecessary expense-dollars have been ended by a new, magic carpet for industrial plants — Speedi-Dri. Your plant can now end the menace of greasy floors — while you save the cost of scrubbing them — by spreading Speedi-Dri.

Speedi-Dri is a fire-proof, skid-proof absorbent for removing grease and oil from floors. It literally pulls oil discolorations from wood, concrete, and steel. It provides a non-slip surface as it does so. It is a non-combustible fire-resistant. It is absolutely harmless to personnel or machinery, brightens up the plant, is easy to sweep up.

Join the leading war-production plants of America in spreading Speedi-Dri on oily floors to prevent accidents, remove fear, and retard fire. Where there's also water, or soluble oils are found, use Sol-Speedi-Dri. Prompt service from warehouse stocks in leading cities.



Ask for demonstration or write for a generous free sample of Speedi-Dri.



### SUPPLIERS

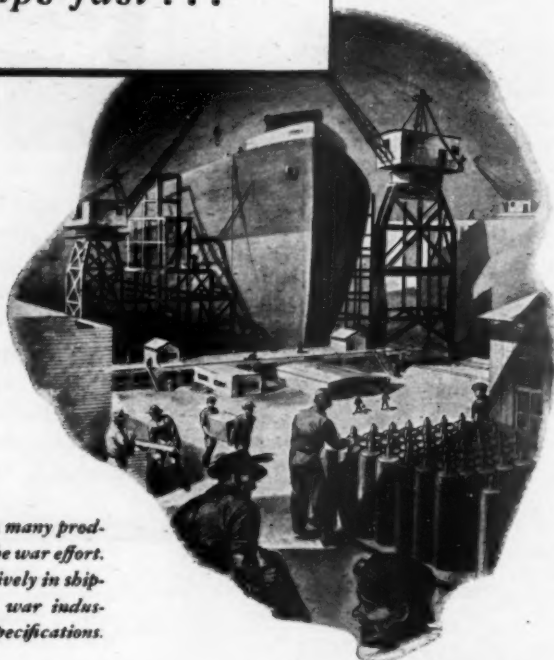
East — REFINERS LUBRICATING CO.  
New York City

Midwest and South  
WAVERLY PETROLEUM PRODUCTS CO.  
Philadelphia, Pa.

West Coast  
WAVERLY PETROLEUM PRODUCTS CO.  
Monro Park, Calif.



**It takes a lot of  
cylinders to build  
ships fast . . .**



**Shown below is one of the many products built by Hackney for the war effort. This cylinder, used extensively in shipbuilding and many other war industries, is cold-drawn to specifications.**

To build a bridge of boats across the submarine-infested Atlantic—calls for shipbuilding of mammoth proportions. Acetylene welding and cutting are playing a vital role in helping American shipbuilders meet the Axis' challenge.

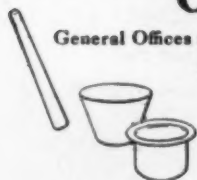
Hackney Acetylene Cylinder Shells cold-drawn by Pressed Steel Tank Company, are built to I. C. C. specifications. Frequent, varied tests are part of Hackney's production control system. For example, each cylinder is subjected to service tests of 500 lbs. per square inch before shipment. The performance records of Hackney Cylinders in the field, have proved

the reliability of the exhaustive tests they are forced to undergo.

If you are building products important to the war effort, it may be that you, too, can utilize Hackney facilities for the design and manufacture of deep-drawn shapes and shells—for new product parts—for improving existing equipment—for solving many a war-created problem. And remember the Hackney Deep-Drawing Process helps conserve material, man-hours and equipment—assure adequate strength while reducing weight. Write today for complete information—see how Hackney experience and facilities can benefit you.

## Pressed Steel Tank Company

General Offices and Factory - 1493 SOUTH 66th STREET  
Milwaukee, Wisconsin



**DEEP-DRAWN  
SHAPES AND SHELLS**



colors are army-olive drab, navy-warehouse drab, and black; others will be available for postwar use. Since the coating is not flexible, and metal cannot therefore be fabricated after application, its spraying, drying, and baking should be final operations.

### New Products Briefs

Also reported this week, not only for their interest to certain designated business fields, but also for their possible import in the postwar planning of more or less allied fields and business in general, are the following:

• **Banking**—A special calculating machine for facilitating the handling of ration points in banks is reported to be the newest item on the production schedule of Monroe Calculating Machine Co., Inc., Orange, N. J.

• **Restaurants**—With the "Mechanical Cow" and a supply of skim-milk powder, sweet butter, and water, you can blend your own whole milk, coffee cream, whipping cream, and ice cream mix to any desired butterfat content. United Dairy Equipment Co., West Chester, Pa., which has been building large units for the Navy, the Maritime Commission, etc., now is getting out a new and smaller unit with a capacity of 40 quarts an hour. . . . A nonskid table napkin with a buttonhole in one corner for anchorage purposes is designed to stay on a diner's lap and off the floor, hence to reduce laundry bills. Inventor and patent applicant is Allen James Lowe, managing director of Hotel Carter, Cleveland.

• **Retailing**—Wood forms the frame of a husky new Print-Rite band stamp for marking cans and other packages with ration points in numbers over 1/4 in. high. As manufactured by St. Paul Stamp Works, 65 E. Fifth St., St. Paul, Minn., it can be used also for pricing, marking shelves, numbering bins, etc. Just turn the bands to any desired group of numbers and stamp.

• **Mining**—Ultra-Violet Products, Inc., Los Angeles, brings out a new Colorimetric Comparison Chart for facilitating the field determination of the molybdenum content in scheelite ores as they fluoresce under a portable "black light."

• **Shoes**—New synthetic shoe soles promise to give 50% more mileage than grade A sole leather. They will be made of tightly woven cotton and impregnated with synthetic resin by Bigelow-Sanford Carpet Co., Inc., 140 Madison Ave., New York, as soon as WPB approves. . . . Jule F. Marshall, vice-president of American Felt Co., Glenville, Conn., has invented, tested, and applied for patents on the new "ventile" wool felt insole for shoes to be used in sub-zero regions. Its foot-warming construction of two layers of perforated felt will be licensed to manufacturers.



Having trouble, Civilian?

So am I!... But we're not doing much talking about it. And yet, I'd like to say this to all America—

LOST HOURS in the plant  
may mean LAST HOURS for us!

Copies for bulletin board gladly sent upon request

SOLDIER, YOU SAID IT!

"Let's get it over QUICK!"



Syracuse, N. Y. Makers of Air Conditioning and Refrigeration Equipment

# MARKETING

## Radio's Self Help

Broadcasters weigh help for small stations to head off government subsidies, urge war on Petrillo ban.

Biggest worry of the thousand-odd radio men at the National Assn. of Broadcasters' 21st annual meeting in Chicago last week was the plight of small stations—shorn of their peacetime mainstay of durable goods advertising.

• **Rich Get Richer**—James Lawrence Fly, chairman of the Federal Communications Commission, cited the commission's licensee reports to show that big stations are getting richer, poor ones poorer. Stations with net time sales of \$25,000 or more averaged a \$50,000 broadcast service income in 1941 and upped it by \$300 in 1942. But the smaller stations showed a 1942 average loss of \$1,100, compared with a \$710 loss the previous year.

The reason is that national advertising is up, while local advertising is down. Spurred by the boggy of grade labeling, national advertisers are taking all available network time to keep their brands before the public. (N.A.B. members expressed their appreciation by going on record as being "unalterably opposed to any and all measures, governmental or otherwise, looking to the abolition of brand names and trademarks in the marketing of commodities.")

• **Young Man's Business**—The manpower shortage—the industry's biggest single problem—hits small stations harder than large ones. Men trained in almost any capacity tend to move to bigger stations in bigger cities almost as soon as they are broken in. Because radio is peculiarly a young man's business, it has a disproportionate number of draftable men, and radio technicians are much in demand by the armed forces. Military speakers warned the N.A.B. members that they "should not be lulled" by the six-month deferments their employees have been getting, since such exemptions are only to allow time for training women and older men as replacements.

The impact of James C. Petrillo's union ban on record-making is felt more by small stations, whose programs are heavily weighted with recorded music. Another six months, say industry leaders, and small stations may lose audience as well as advertisers, as listeners turn to the networks for current tunes.

• **Petrillo Scorned**—The convention cheered a committee report claiming that (1) less than a third of Petrillo's

American Federation of Musicians members are professional musicians, (2) unemployment in the union is virtually nonexistent, and (3) union musicians receive more compensation from radio than any other group of radio employees, including executives. But it confined its action to a resolution calling upon the electrical transcription industry (which will come to grips with Petrillo in New York May 10) "to take such measures . . . as shall be necessary to end Petrillo's ban against musical recordings."

Opposition to government subsidies for the relief of small stations was practically unanimous. Nor did the broadcasters jump at Fly's suggestion to sell national advertisers on the use of smaller stations as well as big ones, "by transcriptions or otherwise." They knew that the altruistic motive of keeping small stations on the air probably would not persuade advertisers and the agencies to dicker with a hundred small stations for the same numerical audience that a few big stations could offer.

• **Relief for Small Station**—N.A.B.'s own proposed solution for small station relief was a collection of movies, slides, charts, and other promotional material to help participating stations sell local merchants (particularly department stores) on radio advertising. Assessments vary from \$25 to \$750 (according to station size) toward a \$125,000

budget to put the project over; about \$83,000 had been raised by the convention's end. Small stations signed eagerly, but those in the \$750 class were reluctant. Their own need is less urgent for one thing, and many of them felt that the plan would not work.

• **Private Subsidy?**—Behind-the-scenes talk concerned a fourth, and revolutionary, proposal: that big stations chip in toward a sinking fund, administered by N.A.B., to subsidize by gift or loan any small station that could prove it was headed for extinction. Aware that the combined loss of the small stations did not exceed \$1,000,000 in 1942, many a broadcaster felt that the industry could better afford to support them than to risk federal subsidies and attendant government control.

## Shoes by Mail

Sales of the mail-order houses back to normal now that customers have been educated in use of stamp.

Shoe department heads of mail-order houses are relieved that at last, through correspondence, special circulars, and package inserts, they are getting customers educated in the intricacies of shoe rationing. Most companies experienced a sharp drop in sales as soon as rationing began (at Chicago Mail Order Co., for example, it was 50%), then an



### MURPHIES FOR MOLOWITZ

After days of hearing "no potatoes" or "two pounds to the customer," New Yorkers got a spot of relief through a big shipment of potatoes from the West Coast over last week end. Yet

the lot, reported as 600,000 lb., does not come to even a tenth of a pound a person in the metropolitan area. But buyers jammed the stand of Sol Molowitz waiting for Daniel P. Woolley (right), city commissioner of markets, to give the signal to start the sale.





## Diesel engines sweep the 7 seas

These, too, are Baldwins.

Diesel engines that power mine-sweepers—engines that must not fail these sturdy craft as they plough through heavy seas, clearing the way for troop ships and other Naval vessels. De La Vergne diesels are especially designed for this severe service.

De La Vergne has been a leading name in diesel engine manufacture for fifty years. From educational institutions in New England to pipe line stations in the Southwest; from dredges in the Gulf to cold storage houses in the Northwest—De La Vergne diesels have an enviable record of outstanding service and economical operation and maintenance. These diesels, now being built by Baldwin, are providing dependable power in whatever service they are used.

Today, Baldwin is not only supplying its regular products to industry for use in turning out planes, ships and guns, but is also building tanks, gun mounts and other primary ordnance materiel for the Army and Navy.



# BALDWIN

*The Baldwin Locomotive Works, Philadelphia, Pennsylvania:*  
Locomotive & Ordnance Division; Baldwin Southwark Division;  
Cramp Brass & Iron Foundries Division; Standard Steel Works  
Division; Baldwin De La Vergne Sales Corp.; The Whitcomb  
Locomotive Co.; The Pelton Water Wheel Co.; The Midvale Co.

**Baldwin serves the Nation which the Railroads helped to build**



**TELE**  
WEBSTER ELECTRIC  
**Teletalk**  
REG. U.S. PAT. OFFICE

## Saves Man Hours

**...Let Graybar show you how  
it speeds war work**

Whether in government service or war plant, don't let outmoded communications retard the war effort.

Get in touch with your local Graybar house today. Have him make a Teletalk survey of your plant or office. Graybar Specialists have years of study of intercommunication problems to enable them to design just the system for your needs.

There is a Teletalk system for every purse and purpose... from five to twenty-four stations. They can be supplied with or without such special features as busy signals, annunciators, and telephone handsets for confidential conversation.

Look up the local Graybar house in your classified telephone directory. Call us in to make a Teletalk "speed up" study of your office and plant.

Graybar Electric Company, Inc.  
Graybar Building, New York City

Offices in Over 80  
Principal Cities

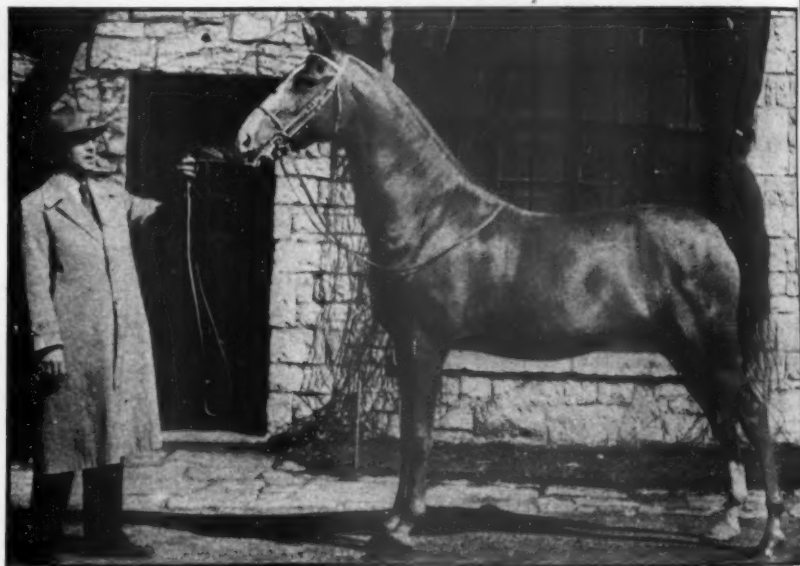


avalanche of correspondence as inquiries began to pour in.

• **Confused by Stamp**—Biggest single cause of confusion, according to both Montgomery Ward & Co. and Sears, Roebuck & Co., was OPA's instruction to detach ration stamps only in the presence of the retailer. Many customers did not know an exception was made for mail orders. Some puzzled customers omitted the stamp from their orders; others wrote the mail-order houses for instructions; still others sent the ration book—placing an unwelcome responsibility on the companies to return it by registered mail. One house reports that a few customers who ordered shoes C.O.D. enclosed no stamp because they reasoned that the postman would collect it at the time of delivery.

Changes in rationing regulations brought many a plaintive letter asking just which shoes were rationed, and which were not. Returned merchandise also presented a problem. Shoes that have not been worn can be exchanged on the original stamp, but if they are worn and then found defective, the customer must get a special certificate from his ration board before he can obtain another pair.

• **Paying More**—Like other retail outlets, mail-order houses find that rationing causes customers to buy better—and higher-priced—shoes. Chicago Mail Order Co. reports that those who used to buy \$3 shoes now pay \$4—but even rationing isn't enough to jump the average \$3 customer up another bracket to a \$6 shoe.



## HORSES BY MAIL

Although customers cannot look a mail-order horse in the mouth, they are keeping Chicago's Erwin F. Dygert (above) busy filling their orders. Dygert, commission man and auctioneer,

## Information Please

OPA answers them for congressmen and at the same time maintains its own opinion poll from taxpayers' mail.

The urge to take pen in hand and squawk to Congress about OPA's manifold price and ration orders is growing so much stronger among the citizens that OPA is taking refuge behind a Congressional Information Unit. Its purpose is to answer the mail congressmen get from their constituents about OPA. Apparently the Congressional Information Unit is without parallel among other wartime agencies, although WPA now is thinking of instituting something similar.

• **Informal Gallup Poll**—OPA's Dorothy Dix division was originally launched by Leon Henderson but understandably didn't amount to much under that veteran Congress-baiter. With the advent of Prentiss M. Brown, himself an ex-Senator, it grew to real stature. And now that Brown has appointed Lou Maxon, the advertising agent, as his right-hand man, the information unit has an additional duty: It runs a sort of informal Gallup poll for Maxon. This is done by noting the contents of each letter and thus tabulating the trend of opinion.

As might be expected, most of the mail forwarded to OPA by congressmen concerns rationing. Price ceilings run a

reports a 50% increase over 1942 in the business he set up more than 30 years ago to sell horses by mail. Good saddle horses are scarce, command a \$200 to \$3,000 price range—mainly from men and women indulging ambitions to own fine animals.

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## TELL IT TO THE CAPTAIN... *Yourself*

Where offices cover city blocks, at gigantic plants, shipyards, supply depots, warehouses and flying fields—wherever messengers are employed, a definite loss in man-hours occurs. Teletalk eliminates the need for messengers because it provides instant communication.

America at war has suddenly found her man-hours too precious to waste. Executives responsible for speeding the sinews of war find in Teletalk an effective plug for the man-hour leak. Messengers are released for productive work and instant, personal and private communication becomes available to every department.

Teletalk Intercommunication and Paging Systems in government services, offices and factories throughout the nation save precious time, steps, words and motion. Teletalk places the farthest corner of your office or factory at your elbow. It puts your ideas to work at once, reduces errors, increases inter-department cooperation, permits conferences without any of the participants leaving their desks, eliminates corridor confabs.

Government demands for Teletalk come first these days. But if you have the proper priority rating, you can secure the time, energy and foot-step savings which Teletalk provides.

Teletalk distributors located in the major cities can advise what priority rating is necessary. Let your nearest distributor study your requirements and lay out just the installation to fit your needs. He is listed in the classified telephone directory as shown below. If you cannot locate a distributor near you, write us and we will see that you are properly contacted.

WEBSTER ELECTRIC COMPANY, Racine, Wisconsin, U.S.A.  
 Established 1909. Export Department: 100 Varick St., N. Y. C.  
 Cable Address: "ARLAB" New York City

*Licensed under U. S. Patents of Western Electric Company, Incorporated, and American Telephone and Telegraph Company.*

**WEBSTER ELECTRIC**  
 Electronic inter-  
 communication, pag-  
 ing and sound dis-  
 tribution systems for  
 offices, stores, factories, buildings,  
 institutions, homes and farms.

**Teletalk**

**"WHERE TO BUY IT"**  
**GRAYBAR ELECTRIC CO., INC.**  
 Occidental & King Main 4635  
 SEATTLE

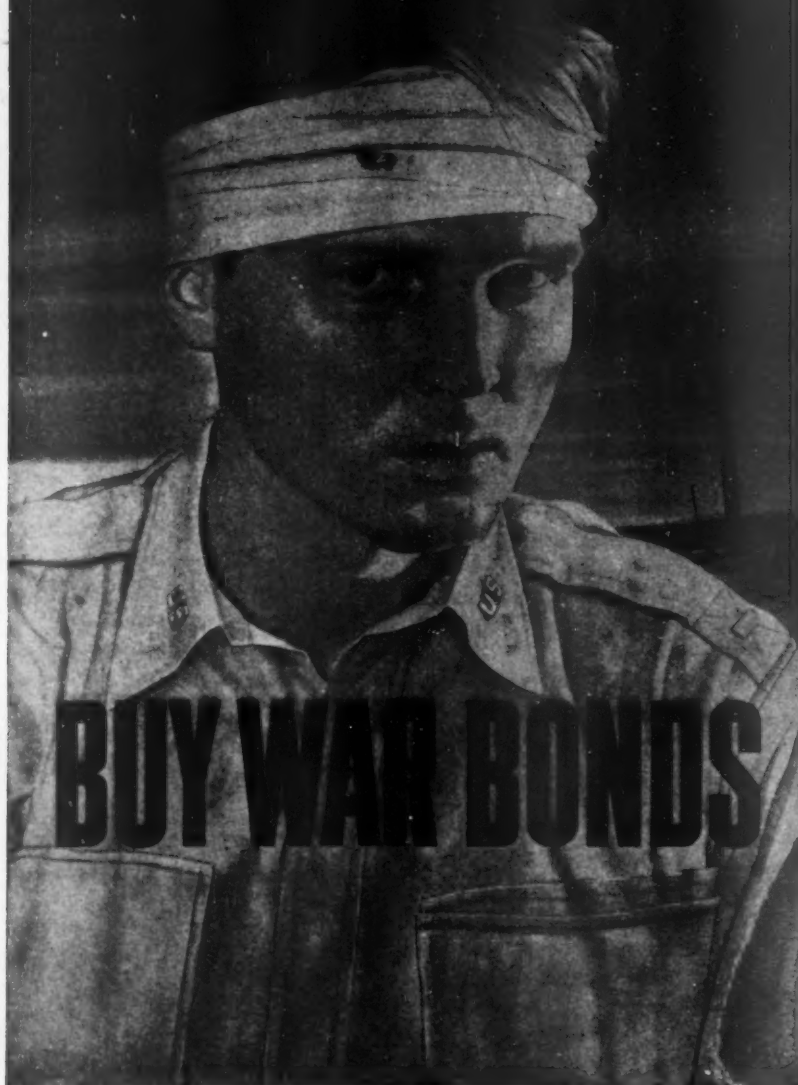
**WEBSTER ELECTRIC**  
**Teletalk**

# WEBSTER ELECTRIC

"Where Quality is a Responsibility and Fair Dealing an Obligation"



*"Doing all you can, brother?"*



**BUY WAR BONDS**

**BUELL ENGINEERING COMPANY, Inc.**  
60 Wall Tower, New York  
Sales Representatives in Principal Cities

CONSULT *First* BUELL IN DUST RECOVERY  
for Chemical • Rock Products • Metallic • Food • Fluid or any other dusts



pretty close second. Here is how mail divided itself in the past month:

Subject	No. of Letters
Rationing .....	2,397
Prices .....	1,785
Rent control .....	597
Miscellaneous .....	566

• **Answered Promptly**—About 1,000 queries, complaints, and a sprinkling of compliments come in each week. The information unit answers them promptly, calling on the various OPA experts whenever technical data is needed. Patricia Brown's signature is used, and carbon of the OPA reply is sent to the congressman whose constituent initiated the correspondence. So far, about half the mail comes from business men, and the other half from plain taxpayers.

Since the information unit has started tabulating the contents of the letters it receives, OPA is inclined to check the pulse of the mail before making a decision on a ticklish issue. Thus, for instance, regulations concerning grading and rationing are written with half an eye on the congressional mail.

• **Little Vilification**—No appreciable percentage of the letters, however, is of the "Dear sir, you cur" type. Many straightforward inquiries by baffled citizens. Samples: Clergymen want to know how to get rationed grape juice for communion services; Texas grocers, facing the border, want to know how to sell sugar to Mexicans.

The information unit also maintains a pair of liaison men on Capitol Hill. This duo—which is the envy of WPA—personally answers congressional inquiries or complaints.

Head of the information unit is Nelson C. Pierce, who qualified for the job because he had been secretary to congressmen for a decade. Claudia Machol, long-time OPA employee, tabulates the letters for opinion content.

## STATE TAX IN ARMS PLANT

Collection of state sales taxes by restaurants holding food concessions within federal reservations is mandatory, the Colorado Supreme Court held last week in a decision involving payment of \$2,810 back taxes by Bennett's, Inc., Denver chain which operates food services at the Denver ordnance plant owned by the government and operated by Remington Arms Co.

The law calls upon restaurants "regularly serving the public" to collect the 2% sales tax, but Bennett's contended service within the plant was not "serving the public." On this the court ruled that "the public does not mean everyone all the time; the proportion of people served is so large as to be the public."

The decision insures collection of many thousands of dollars yearly for Colorado's huge war plants.

## What Do You Bid?

Auction of used cars in Kansas City booms at prices \$100 above 1941—sometimes higher than for new ones.

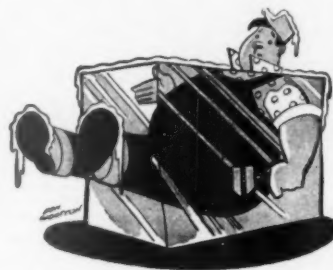
A motor car is sold every 1½ minutes in the little garage which is the Kansas City Automobile Auction Co., 1900 East Fifteenth, Kansas City, Mo., an industry which sprang up Oct. 1, 1941, and mushroomed with a phenomenal war trade in used cars. From 300 to 400 automobiles are driven in unending file every Wednesday, from the company's lots across the street, into the garage and up on a platform where they are knocked down to the highest bidder under the rapid sing-song of the auctioneer.

• **Open Only to Dealers**—It's one of two major centers for sale of motor cars to dealers only, the other being the St. Joseph Automobile Auction Co., 520 South Eighth, St. Joseph, Mo., handling about 250 cars on its weekly sales day. Buyers who are the wholesalers comb cities and towns throughout the week for cars which are hard to find and hard to buy. One such forager may pick up a half-dozen cars and realize a profit of \$100 on each of them. About 50 wholesale buyers operate for the Kansas City market.

The dealer or retailer takes the heavy gamble, his only protection being a guarantee the car does not have a cracked block or has not been used as a taxicab. If a taxicab is offered, it must be plainly designated on pain of suspension from the auction for the owner. If a dealer rejects a car for any other reason, he must deposit \$100 before he can bid again.

• **Hope Is a 20% Profit**—The dealer is also menaced by a possibility of an OPA ceiling on used cars in the next few weeks. This could mean terrific losses. A Wichita retailer, buying \$25,000 worth at Kansas City and \$40,000 at St. Joseph in one week, knows he will get some bad ones but hopes the good ones will offset them. If he realizes 20% on the lot of them, he feels that he is doing all right.

Although cars may be examined on the parking lot before they are driven in for auction, only a few wholesalers will permit prospective customers to drive them. The wholesaler may have had an agency and may have bought cars from people to whom he sold them when new. In that event, he knows what he has and will perhaps say, when his car goes on the block, "You can drive this one before you pay for it." This doesn't happen often, though, and, while the retailer may poke upholstery and gun the motor, he can't know about



## FROZEN MAN POWER

Let's make it help win the war!

We have but one objective today — "Win the War."

We have but one reservoir of labor, not an inexhaustible supply.

That's why freezing of man power was resorted to.

But there is more than one cause for the "freeze" order—too many men were jumping their jobs; too many employers were pirating men from other essential industries, too few skilled workers were available; too few men and women to train; too much time taken to train them.

But more important than the "freeze" order itself, are the steps which management must take to meet it. Emphasis must be placed on the need for more production from the men and machines we have.

For our clients, now all in war work, Trundle Engineers have helped step up production through recommendations for better controls and by aiding in their installation. This means many controls: Labor controls; inventory and material controls; planning, scheduling and dispatching controls—all pointing to quality control and always keeping in mind that, "Labor is just as efficient as management plans for it and provides the tools with which to work."

*Geo. P. Trundle Jr.*  
President

## THE TRUNDLE ENGINEERING COMPANY

Consulting Management Engineering

GENERAL OFFICES • CLEVELAND • BULKLEY BLDG.  
CHICAGO • City National Bank Bldg. • 208 S. La Salle Street  
NEW YORK • Graybar Building • 420 Lexington Avenue



## NEW ANSWERS TO YOUR Building Problems

**W**HATEVER construction or remodeling you may be planning, you can save time, labor, and critical materials by investigating these new multiple-function products, developed by Celotex for wartime building.

**CEMESTO** combines exterior and interior finish, plus insulation, in a complete fire-resistant wall unit . . . **CELO-SIDING** combines sheathing, insulation, and a mineralized exterior surface.

**CELO-ROCK WALL UNITS**, composed of laminated layers of gypsum wall board, are made in two styles—one weather-surfaced for exterior use, the other clear white for interiors. Both are strong, rigid, fire-resistant.

Get full details from your Celotex dealer, or write direct to The Celotex Corporation, Chicago.

# CELOTEX

ROOFING—INSULATING BOARD  
ROCK WOOL—GYPSUM WALLBOARD  
LATH—PLASTER—ACOUSTICAL PRODUCTS

## FIRE CHIEF

A patented Hooperwood  
"Engineered Canvas"  
permanently resistant to  
fire, water, weather,  
mildew and wear.

**WM. E. HOOPER  
& SONS CO.**

PHILADELPHIA  
New York • Chicago

Mills: WOODBERRY,  
BALTIMORE, MD.

# HOOPERWOOD COTTON DUCK

the rear end, transmission, and brakes.

• **Price Protection**—The wholesaler has all the best of it, dealers argue, since he has no place of business to maintain and no permanent clientele to satisfy. If his car goes on the block, he pays the auction company \$1. If the car sells, he pays \$10. If the car fails to bring a price that will pay a profit, he bids it in himself and offers it again later.

R. L. Hamilton, co-owner with J. E. Colvin of the Kansas City firm, reports most of the cars are from St. Louis eastward—particularly from the heavily rationed seaboard area. Retailers say eastern cars may be recognized by rust around the sills and on other metal work. Hamilton sees his as a place for eastern sellers to meet western buyers, pointing out that cars come from as far as New York and Philadelphia by rail, and retailers from Oregon, Texas, and California.

• **Principal Buyers**—Dealers bidding at the auction represent 18 states, he says. It's probable, though, that most are from the Middle West, with Kansas, Nebraska, Oklahoma, and Missouri in the forefront in that order.

The problem of transportation is met in some instances by using the tow-bar. Each car is allowed 200 miles of transportation under OPA regulations, but use of the tow-bar provides a means for doubling this mileage.

• **Prices \$100 Above Last Year**—Prices are plenty high and have seen few changes in the last 90 days, Hamilton says. The same car brings \$100 more now than it did in 1941, he believes. Big boys keep the sale moving, with the little dealers stepping in occasionally to try to pick up a bargain.

"This is too hot for me," said a small dealer from Concordia, Kan., recently as a 1941 Plymouth two-door was knocked down for \$850. "That's more than it cost new."

• **Central Location Helps**—Kansas City's central location makes it ideal for the auction, Hamilton feels. "The western dealer can buy any amount of stock he needs in a day," he explains. "Otherwise, it would take weeks."

Hamilton and Colvin have their troubles, too. A placard warns: "For several weeks we have had to bar several dealers from our sale for buying and selling outside the sale. This must be stopped! We realize we need all you dealers but you must follow our rules! Remember—You cannot buy and sell your cars on our lot. This is not a trading post."

• **Existence Threatened**—But that is minor compared to an OPA ceiling on used-car prices which Hamilton thinks is not far away. It will come in 60 days, he predicts, and means his business will fold up. An OPA ceiling for trucks was established Apr. 26. Result: no more trucks, which formerly made up a large part of the volume on the auction block.



Used cars from the East go in rapid-fire fashion at the Kansas City Automobile Auction Co., where the sale of 400 cars in a day is just about par.

Sales day starts at 10:30 a.m. and closes at 6:30 p.m., auctioneers working in shifts. It has continued as late as 8:30 p.m. Cars move over the platform at the rate of 40 an hour, pace maintained by the auctioneer's rasp, stepped up by loudspeakers, which commands, "Take that car out of here!" as his hammer falls on the final bid.

• **Typical Prices**—Here are some examples of what they bring:

1939 Buick cabriolet, "25,000 miles, radio, heater, and good tires; \$750, sold to Pittsburg, Kan."

1941 Dodge two-door. "This car is practically new. \$1,030; take it away, Wichita."

1941 Ford four-door. "You can drive it before you pay for it. \$775."

1939 Chrysler Royal four-door. "I want to call attention to that rubber. \$490; she goes to Hutchinson, Kan."

1942 Chevrolet Master four-door. "Only 30,000 miles on this. \$1,010."

1941 Ford two-door. "One owner only. \$837.50."

1941 Ford four-door. "Radio, heater, defroster—and a full tank of gasoline! \$780."

1939 Pontiac two-door. "Heater, defroster, and a spare. \$500."

1942 Chevrolet cabriolet. "4,000 miles . . . It's not much higher at \$1,200 than it is at \$1,100. \$1,205."

1941 Cadillac four-door. "I guess I don't know what Cadillacs are worth. \$1,850."

1941 Pontiac four-door. "\$1,050; sold to Neosho, Mo."

1941 Dodge two-door. "This is a new car. \$1,030."

1941 Chevrolet Master four-door, \$780.

1938 LaSalle four-door, \$250.

1940 Chevrolet Master four-door, \$640.

1937 Chevrolet two-door, \$310.

1941 Chevrolet Master two-door, \$852.50.

1940 Ford cabriolet, \$800.

1938 Chevrolet two-door, \$400.

1939 Ford two-door, \$335.

1942 Plymouth two-door, \$850.

1940 Pontiac two-door, \$750.

1941 Chrysler Royal two-door, \$900.

1941 Chevrolet Master four-door, \$880.



## "FERROGLAS? You mean Glass made from Iron?"



When presenting plans for your peacetime building needs, your architect or engineer may say "Let's consider FERROGLAS as the answer to our needs." We want you to know in advance that FERROGLAS is neither glass nor steel alone. Fundamentally, FERROGLAS is a panel unit . . . built-up laminations of Truscon formed steel sheets and Fiberglas insulation. *In the essential qualities of insulation, sound absorption, fire resistance, interior light reflection and diffusion, Truscon FERROGLAS panel construction excels any previous building specification requirements!*

FERROGLAS is typical of Truscon's leadership policy . . . to keep one move ahead of current requirements, and be prepared for tomorrow's needs. Because of this, FERROGLAS was ready and practicable when war brought a radically new building construction demand. FERROGLAS now is helping speed American armament production, and offers tremendous possibilities for wide range of peacetime industrial building plans.



**TRUSCON**  
*Steel Company*

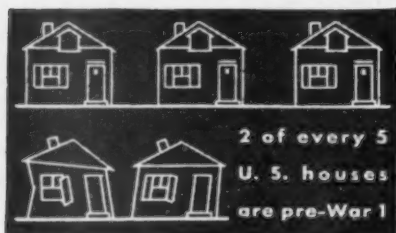
YOUNGSTOWN • OHIO

*Subsidiary of Republic Steel  
Corporation*

## POST-WAR HOUSING

### 14 MILLION OVER-AGE HOUSES

The size of the replacement market for houses in the U. S. is no longer a matter of guesswork. Recently-tabulated census figures show that 14,175,296 existing dwelling units were erected prior to 1910. That's 40% of the total! Of this 14 million—2,539,837 date from before 1880. At the home construction rate of building's peak year—1925—we could be kept busy for almost three years just replacing these pre-1880 houses. Are over-age houses necessarily obsolete? In view of the advances made since 1910 in design, heating, lighting, insulation, methods and materials—the answer is "yes"... A primary advance is engineered housing.



#### Engineered housing

—as developed in Homasote Precision-Built Construction—produces stronger, more efficient homes for less money.

Homasote decentralizes prefabrication, result of seven years' research at a cost of \$300,000... Notice "decentralized"—Homasote reduces transportation costs by locating fabricating plants throughout the country. Thus it works with established local factors in building... Homasote Precision-Built Construction builds homes of any size, any style, anywhere. Not stock houses—complete flexibility of design.



Proved in \$6,000,000 of pre-war, architect-designed private homes and \$30,000,000 in government war housing, Homasote Precision-Built Construction is the key to vast, post-emergency markets—low-cost housing, employee housing, ready developments in all price classes... For more details, write HOMASOTE COMPANY, Trenton, New Jersey.

**HOMASOTE**  
*Precision Built*  
**HOMES**

## Valises in Vise

WPB cuts luggage producers to 60% of 1941 output, but price and labeling order is held up. Materials are problem.

If luggage manufacturers ever worried about wartime's backyard vacations being hard on business, their troubles went into reverse last week when the War Production Board cut production to 60% of 1941 output.

• **Only Nine Models**—WPB's drastic L-284 strips what was once a semiluxury trade down to nine styles of luggage to be made without leather, metal frames, or fancy gadgets.

Manufacturers are hastening to process present raw material inventories before the July 1 deadline on such best-sellers as gladstone bags, hat boxes, cosmetic cases, and wardrobe trunks: Thereafter they will revise production to the wartime definition of luggage including the following nine styles for which maximum lengths are imposed by WPB:

Furlough bag .....	20 inches
Overnight case .....	21 inches
Pullman case (empty) .....	26 inches
Tray pullman case .....	29 inches
Men's wardrobe .....	24 inches
Men's week-end .....	21 inches
Foot locker .....	31 inches
Physician's bag .....	16 inches
Sample cases and sample trunks .....	unlimited

• **No Price Ceilings Now**—Maximum prices for these items originally were destined to be announced simultaneously with the issuance of L-284, but the price order provided for labeling luggage, and OPA won't handle that hot potato again until the controversy opened by the canned goods and rayon hosiery orders (BW—Apr.10'43,p7) is resolved.

Meanwhile, L-284 itself prohibits manufacturers from making more than two price lines in any of the nine styles permitted. Once present stocks of leather, imitation leather, and quality luggage are sold—probably before the end of this year—consumers inevitably will find prices generally lower because expensive materials are no longer available.

• **Problem of Materials**—Mainstay material for the duration is canvas rejected for Army use. These supplies to which the industry has become accustomed with the increasing tightness of leather supply will be supplemented by scrap leather and certain other very light-weight leathers (vegetable-tanned cattle hide under 3½ ounces; vegetable-tanned bag, case, and strap leather bellies under 7 ounces).

Also available will be vulcanized fiberboard and the cardboard used in very

cheap luggage. Such models built on wood frames lined with paper and re-tailing for around \$1.98 have been popular with soldiers who don't buy suitcases for postwar travel. Vulcanized fiber, recently placed under allocation by WPB, will be more difficult for luggage manufacturers to come by as it is being used increasingly for military crash helmets, aircraft gasoline tanks, and insulation.

Artificial leather, the pyroxylin-coated fabric used extensively by the industry is out for the duration, as war has gobbled up the cellulose nitrates.

• **Minimum Hardware Allowance**—Since there is no substitute for metal locks and other such accessories, parts containing iron and steel may be used in locks, bolts, valance clamps, binding corner clips, snap fasteners, buckles, hinges, rivets, screws, and other essential joinings. But parts containing copper, zinc, or aluminum are forbidden, as are all slide fasteners.

Major producers whose factory sales during the base period amounted to more than \$750,000 are cut to 50% of 1941 business under L-284. Since that category includes the eight or ten producers who annually average 40% of the industry's total output (\$50,000,000 in the base year), this is where the big cut comes.

But these are the firms that can take it, since most of the industry's war work comes their way. For example, the American Hardware Co., giant southern syndicate with headquarters at Petersburg, Va., accustomed to processing luggage from the ground up, can handle war work, such as mess kits, duffle bags, and holsters, that the small producer don't have a chance to get.

• **Small Producers, Bigger Quotas**—Manufacturers in the \$250,000 to \$750,000 bracket are allowed 60% of base period sales annually while producers whose business ran between \$25,000 and \$250,000 in 1941—the greatest number of manufacturers—can produce at the rate of 70% annually.

The handful of manufacturers doing a business of under \$25,000 in 1941 rate an annual production quota of 86%, and no producer will be required to cut production so that sales fall below \$1,000 a month.

• **Some Leeway Permitted**—Luggage produced under specific military orders is exempt from the quota; merchandise sold to Post Exchanges and Ship's Service Stores, however, is included, but such sales justify a slightly increased quota the following quarter. Also exempt are items priced under \$1.50.

Manufacturers aren't happy about the order, but a lot of them expected it to be more stringent. They cheer each other up by pointing out what happened to their competitors in England who have been cut to 10% of production in the year ended May, 1940.

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## WAR JOBS WELL DONE MEAN LOWER FUTURE POWER COST

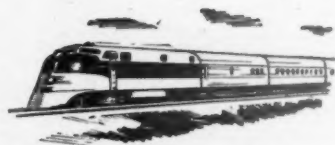
**S**CARCELY anything you can name fills so many different war jobs as the General Motors Diesel engine. In tanks, landing boats, patrol boats, trucks, tractors and auxiliaries—everywhere sturdy dependability is needed—they're supplying power for our fighting forces.

The result is that though plant facilities have mushroomed and production records are broken time and time again, everything we can make is hustled off to war.

But there is this important com-

pensation. These accelerated war demands are advancing GM Diesel production and technique years faster than could the demands of ordinary peacetime manufacture.

So we can look forward to lower-cost power and to new peacetime applications for these engines when the war is won—to broadened fields where this power will serve.



*New eras of railroading follow in the footsteps of war. Another new era of railroading is assured in the wake of this war. General Motors Diesel locomotives already are establishing new standards of transportation.*



ENGINES . . . . . 15 to 250 H.P. DETROIT DIESEL ENGINE DIVISION, Detroit, Mich.

ENGINES . . . . . 300 to 2000 H.P. CLEVELAND DIESEL ENGINE DIVISION, Cleveland, Ohio

LOCOMOTIVES . . . . . ELECTRO-MOTIVE DIVISION, La Grange, Ill.



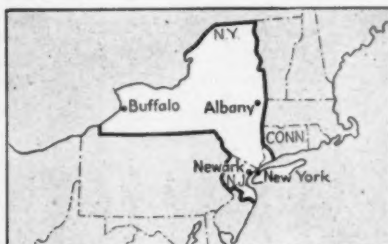
# THE REGIONAL MARKET OUTLOOK—A

A summary of industrial, agricultural, and other trends affecting the income and general business prospects in the 12 Federal Reserve districts of the nation for most recent month. (Last month's report: BW—Apr. 3 '43, p60.)



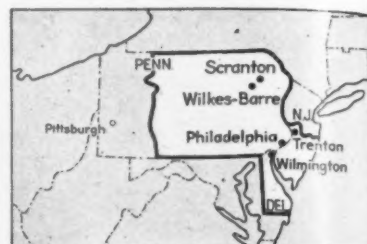
• **Boston**—Once more, New England industry is the first to reflect changes in war economy patterns. Current talk of sustaining or expanding civilian "hard goods" supplies will find first practical application in the hardware, clock, business machines, and household appliance lines predominant in Connecticut and western Massachusetts. However, the new Washington moves thus far have been on a small scale; and so tight are labor supplies that the area can handle only limited increments in manufacturing contracts.

Farm manpower seems more plentiful now, due to deferment policies and relative lack of war work in Vermont and New Hampshire; but food distribution is increasingly worrisome to New England manufacturers, as black markets grow, endangering wage scales. Already, output in low-pay consumer goods lines—shoes, cottons, woollens, etc.—suffers for lack of workers as coastal shipyard centers drain labor.



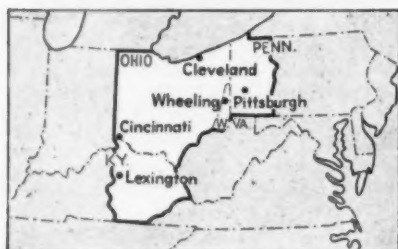
• **New York**—In some sectors, New York City business atmosphere is reminiscent of 1929. The upsurge in stock trading activity to the highest levels since 1937 during recent months, and the gain since April, 1942, in quotations (BW—Apr. 3 '43, p15) have helped purchasing power; also, business in hotel, restaurant, and amusement lines flourishes. More basically, the unemployment pool is being drained to growing war work, though labor force reserves are as yet untapped.

Elsewhere in the district, true war boom conditions prevail. Labor supplies in northern New Jersey are growing still tighter, and the whole Newark-Jersey City area soon may enter the "critical shortage" classification. In upstate New York, factory employment is still expanding, with Buffalo and Schenectady particularly hard-pressed. But farming areas, primarily dependent on dairying in which costs have risen along with prices, are not extraordinarily prosperous.



• **Philadelphia**—Labor problems in anthracite, perplexing Scranton and Wilkes-Barre, and conversion difficulties in ordnance, affecting Berwick and Chester, dominate the district business news, obscuring the more basic expansion not only in current shipbuilding activity along the Delaware, but also in shipyard plans for future work. Actually, hard-coal payrolls will continue to grow along with demand and overtime output. And though changeovers in tank production create real employment dislocations, this region depends much less on ordnance than on the immense shipbuilding industry.

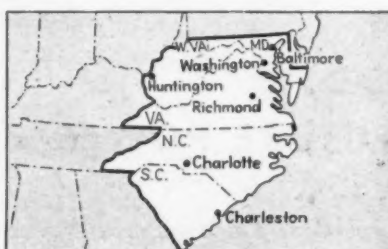
Thus income still is growing, though somewhat less rapidly in the district as a whole than the national average—for two reasons. Lagging "soft goods" lines are important here—hosiery, rugs, shoes, woollens, etc., also, though agriculture bulks smaller in the regional economy, receipts have not benefited nearly as much as in other areas.



• **Cleveland**—At the moment, coal is the key outlook factor here in America's Ruhr. But, outstanding in more-than-immediate significance for industrial and income trends is manpower. Central-eastern district cities—Zanesville, Portsmouth, Steubenville, Wheeling—still have fairly ample supplies of common labor, whereas to most other centers shortages are a constant concern.

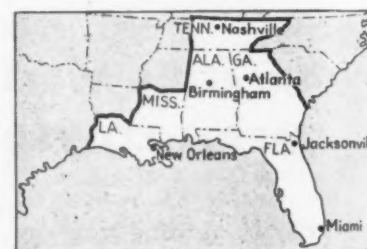
Tapering of construction volume within the district has posed no problem until now. But current easing of machine tool orders and deliveries may create dislocations for a sizable regional industry; ultimately, of course, all released workers will be rehired for other jobs.

Institution of a 48-hour week in steel extends overtime operations, which will spread further, increasingly lifting payrolls. Thus income still is rising rapidly here, in pace with the nation's, and the prospect is for continued at-least-average gains.



• **Richmond**—Burgeoning governmental establishments in some sections of this region still are contributing impressive sums to swelling district income. Washington, D. C.—where government employment has increased by 55,000 and payrolls by 35% in the past year alone—is, of course, the outstanding instance. Also, new military training and operational bases constantly are being added all along the coast.

The intraregional industrial picture remains, largely as before, one of tight labor supply in a few concentrated war centers and relatively ample manpower in most other cities. Migration, however, leaves no surplus anywhere, and cotton, lumber, coal, and other basic lines are only just over the shortage line. Spring farm work is under way, and price advances during recent months make growers optimistic about autumn returns; weather, rather than labor, is the primary worry.



• **Atlanta**—Last month's visit by President Roosevelt spotlighted the big role this region plays in training troops—and conversely, the huge addition that military payrolls make to district income. But building of new camps is rapidly tapering off, and the domestically housed armed forces are nearing the point where new inductees merely replace soldiers sent overseas. Thus income from troop training is just about reaching its peak.

However, industry is taking up this slack. Expansion of aircraft and shipyard activity in this region during 1943 will be at the sharpest rate ever attained in the war. Of course, this will pinch manpower supplies for other lines, but the transfer from low-wage to high-wage jobs adds to income. Agricultural receipts also are apt to be up. Stabilization of cotton prices comes at higher levels than prevailed during 1942. Unfavorable weather could cut returns, nevertheless.

# K-A GUIDE TO INCOME TRENDS

in the last lap of arms race, some regions look to huge payroll gains called for in ship and arms schedules while others worry about ordnance cutbacks. Encouraged by prices, farmers work harder for more money; but watch weather.



**Chicago**—This region is more concerned in most about shifting war demands because ordnance work, concentrated here, is especially susceptible to shifts. Cutbacks in tanks, trucks, bombs, shells, etc., have been feared, and though workers have been reabsorbed into other arms making, realization is growing that temporary dislocations may become the rule, affecting different plants and localities at different times.

District-wise, this does not vitiate the primary problem—manpower shortage. Surpluses do exist, and more contracts might mean more jobs but not completed schedules. Fluidity, while necessary, does waste man-hours and reduce payroll potentials—especially in particular places.

The farm labor stringency has been somewhat eased, though it is clear that goals will not be met. Still, receipts here may outgain the nation's, except in dairying areas where output may be no better than stable.



• **St. Louis**—Surveys show that farm labor will be seriously short at peak seasons only in the Mississippi delta sections in the southern half of this region; elsewhere, the supply will be ample. But that leaves the cotton area wondering how to harvest expanded acreage, particularly if the weather is poor. In the north, more livestock products will be turned out, and, after a 40% jump in the value of the last crop, Kentucky burley plantings will be up. So farm prospects are bright in the north but uncertain in the southern part of the district.

Evansville, Louisville, Memphis, and St. Louis—biggest district cities and chief arms centers—are experiencing various degrees of war boom. But not many smaller towns are short of workers—except, of course, those near the larger centers and a few sprinkled through Arkansas. Thus, income gains have been uneven, both agriculturally and industrially.



• **Twin Cities**—The late spring hasn't caused any serious permanent damage to income prospects here, but it did pile up farm chores, hurt spring pig and lamb crops, hold up iron ore shipments, and perhaps postpone a few spring apparel purchases.

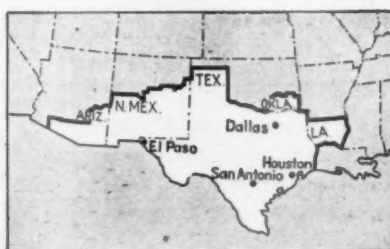
Actually, with prices up and more seed spring sown, wheat sections should fare well. Besides, farm labor isn't really short, comparatively, except in dairying Minnesota and central Wisconsin; there receipts may suffer, particularly as prices are up on the corn that must be bought from other states. All in all, from here on weather will be crucial for income prospects.

War work is still increasing, not only in Minneapolis-St. Paul and Duluth-Superior, but also in numerous small subcontracting establishments in eastern district towns. Yet, urban labor shortages, as these are known elsewhere, are hardly a district affliction because arms awards here continue low.



**Kansas City**—Even as much of the huge war manufacturing plant awarded to this region is still abuilding, new projects are announced; January-February construction awards ran three times 1942's. Newest batch of three factories is to employ some 10,000 workers. Though some building jobs are ending, payrolls are being more rapidly expanded in such district centers as Kansas City, Oklahoma City, Wichita, Denver; and urban income will soar. Incidentally, rising Kansas oil output may soon surpass Oklahoma's declining production.

Farm receipts, which outstripped the nation's last year, also should do well. Recent rains have relieved much worry about dry first-quarter weather, and winter wheat is in good shape. Farm labor supply continues tight but is not yet a critical factor in most sections; the expected further sizable drain on war plants, however, leaves autumn harvests a bit uncertain.



• **Dallas**—A pickup in recent weather has restored subsoil moisture, improved ranges, and facilitated spring farm work; the whole agricultural outlook is brighter. With mechanized farming, cotton acreage is up in west Texas, and soil conditions are very favorable in east Texas. Wheat, corn, and truck prospects also are better.

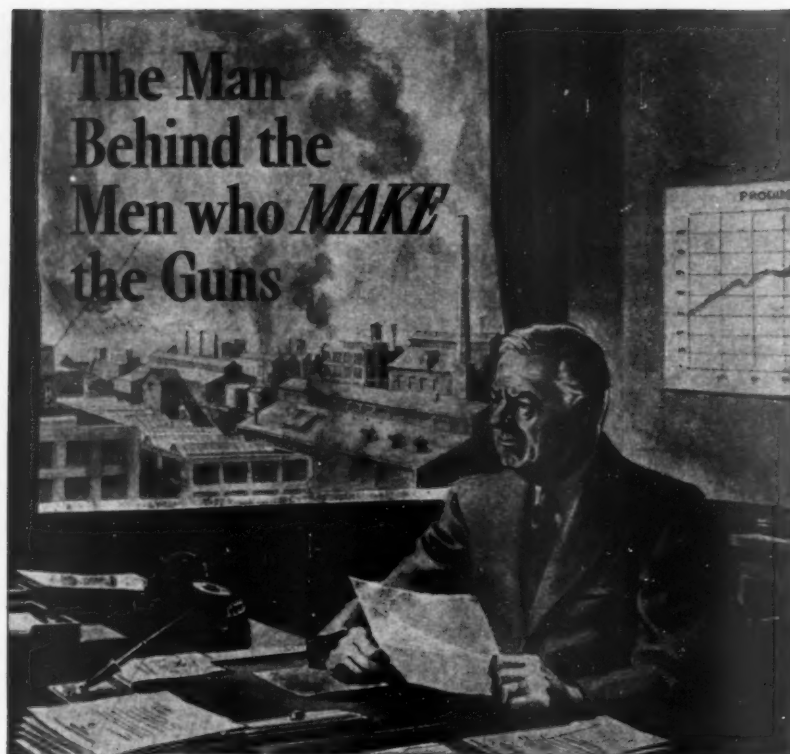
Industrial activity still is on the upswing, particularly in the eastern part of the district—aircraft at Dallas-Ft. Worth, ships and chemicals on the Gulf Coast, miscellaneous arms at other points. Much of the rest of the region which benefited from the building boom in cantonments and from the influx of soldiers now finds the military stimulus wearing off a bit, with little manufacturing to take its place. But the oil industry is well spread through the region, and now prospects are looking up—war demands rising, transportation easing, and hope of price relief gaining.



• **San Francisco**—Contracts for 500 new ships from Coast yards spotlight district trends. Shipbuilders even now are encountering major manpower difficulties (BW—Apr. 17 '43, p. 14).

Whereas war producers before were siphoning labor off the land, farm deferments now aggravate the arms pinch; still, seasonal shortage of hands will be acute in all sections. Caught in the middle, district standbys—lumber, mining, oil, canning, railroads—are squeezed worst.

So there are still some district towns faring worse than the national average—those dependent on such basic lines; whereas, well up on income-boom lists are the arms cities. Among the latter, Los Angeles activity has for a year been tending to stabilize. In other coastal centers, notably Portland and Seattle, payrolls still are growing more swiftly, as is the case, too, at inland points like Las Vegas, Phoenix, Salt Lake City.



## The Man Behind the Men who **MAKE** the Guns

Executives don't get medals, though they are rendering distinguished services to their country.

Their battle is in the field of production, and the financial strategy that makes it possible. Their tactical problem is to marshal their companies' resources and make available, for greater production, every possible foot of plant capacity, and every dollar of capital.

They are the men behind the men who make the munitions and supplies for the fighting fronts . . . who carry on with essential civilian production.

If your company is in need of more working capital now, because of recent tax payments, heavy inventories, to finance current production or to qualify for new government contracts, let us show you how Commercial Credit financing can help you.

If your need involves financing a government contract, substantial advances can be made *without liability* to you.

Whatever the condition, whether you require thousands or millions, we believe it possible to engineer a plan that will solve your problem with profit to you, and without red tape or restrictions on your management.

## Commercial Credit Company Baltimore

Subsidiaries: New York Chicago San Francisco Los Angeles Portland, Ore.

CAPITAL AND SURPLUS MORE THAN \$65,000,000

Interesting color charts of ARMY, NAVY and MARINE insignia free on request.

## STUDIES STOVES' FUTURE

Florence Stove Co., Gardner, Mass., is looking ahead to postwar days, having its sales force call on dealers with a questionnaire. Noting that "many people believe there will be a big demand for consumer goods," the questionnaire asks: "Do you agree with this? How long will this last? After this demand is satisfied, will sales continue to be good? On which type of product will the greatest sales come, and in what price bracket?"

The dealer is asked what features and sizes of these products most appeal to the consumer: gas ranges, bottled gas ranges, electric ranges, combination ranges, kerosene stoves, coal ranges, heaters, coal heaters.

One Atlanta salesman, while calling on dealers in Tennessee, Virginia, and North and South Carolina, reported "found most dealers seem to think there will have three to five years of real prosperity after the war" and that the electric range outlook is especially good for postwar days.

## HOW TIGHT IS LIQUOR?

With the United States drying up 10 degrees (BW-Dec.26'42,p37; May 14,p24), liquor interests are trying to determine how much of the dehydration process must be ascribed to the tightening of liquor supplies and how much to increase in prohibition sentiment. New York City provides about as adequate an answer as any, because one of the variables in the equation—the dry sentiment—is at an absolute minimum there. At the New York answer is best seen in the pricing practices of liquor retailers who are asking more for liquor by the gallon than by the individual bottle. Yet stocks are tight—particularly Scotch stocks.

## FATTENING THE LAMB

The Antitrust Division has started its "fat lambs" case, remanded by the Supreme Court for hearing in the Tenth Circuit Court of Appeals, all over again (BW-Mar.20'43,p7). Instead of taking the original indictment, quashed by Federal District Judge J. Foster Symes up to the Court of Appeals, the Denver office of the division, headed by James McI. Henderson, has filed a direct information in Judge Symes' court. It drops the original charge that 33 packers, commission houses, and officials of the Denver Union Stockyards Company conspired to monopolize all meat operations in fat lambs. But the information reiterates and amplifies the allegation that they acted in restraint of trade; it emphasizes workings of the "turn system" by which, says the information, four groups of commission firms took turns buying lambs from



the range and four groups of final purchasers were given "turns" to purchase lambs. Rules provide that no order buyer shall have a "turn" except members of the Denver Livestock Exchange, the information says, and practically every lamb bought through the market is subjected to the "turn" system.

## Have You Heard?

It seems consumers every day are hearing of new items to be rationed; OPA is getting dizzy denying them.

Wherever two or three housewives get together, there's sure to be a rumor of rationing. Anxious feminine imaginations sometimes generate these rationing rumors spontaneously, but now OPA is beginning to suspect that the ladies are getting outside help. Whether knowingly or unknowingly, retailers are often to blame.

• **Competitive Urge**—Information reaching OPA from its field offices points up the possibility that smaller stores, looking for a competitive club, are apt to use a rumor instead of advertising. It's cheaper, and of its efficacy, there is absolutely no doubt. A window card suggesting, "buy before the last supply is gone," usually suffices to sweep the shelves clean in a few days.

Other rationing rumors (accompanied by panic buying) apparently have been launched by inexperienced clerks. In order to boost their sales records, the neophytes are not above throwing a scare into customers. In part, runs on liquor, soap, and even cigarettes (a very plentiful commodity) seem to have started in this manner.

• **That Hosiery Rumor**—Of a more serious nature is the rumor that women's rayon hose will soon be rationed (BW—Apr. 17'43, p. 7). Retailers are doomed to new ceilings which are almost certain to be lower than the prevailing maximums. Hence, more than one OPA official is of the opinion that retailers started a ration rumor to clean out present inventories at the old, higher price.

OPA isn't going to do any formal investigating of the origin of rumors because the present policy is to cultivate favorable publicity and avoid making enemies. But already OPA and WPB publicity men are getting writer's cramp scribbling denials of rationing rumors.

• **What's in the Works**—For the record, though, OPA currently has only one major rationing plan in the mill: clothes rationing. The program may break in the fall, but it's almost equally probable that it won't come until next year. Whether soap and a batch of additional foods (among them, milk) will be rationed is touch-and-go.

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AT POINT OF SALE . . .



AND SAFER MOVING  
TO POINT OF USE . . .



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Alert manufacturers long ago discovered that attractive boxes help sell merchandise faster. But the war has proved the set-up paper box has additional importance. Its rigid construction, its moisture-proof, dust-proof papers, give added protection to products *in transit*. Where life may depend on undamaged supplies,

the set-up box helps deliver the goods more *safely*.

Why not investigate *all* the advantages of today's most adaptable package? ... its saving in manpower, saving in time, saving in overall packaging costs? The nearest Master Craftsman will gladly supply prompt information.

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THE BEST WAR BUY IS WAR BONDS



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So that American warplanes can control the air above the battle fronts, American manufacturers are controlling the air on the production fronts. That holds true in the production of all kinds of precision equipment where extremely close tolerances are musts. Parts that pass inspection today can be out several ten thousandths of an inch tomorrow, due to a 15 degree change in temperature. To speed up production . . . to reduce rejections . . . to prevent the damages of rust, dust, and corrosion . . . the air conditioning equipment for your plant must be precision-fitted to the need of your plant.

Seldom are two air conditioning problems identical. For that reason, Fairbanks-Morse maintains branch offices throughout the country, with resident staffs of engineers at each branch. You will find the resident engineer in your community the man with whom to talk. He is familiar with your local conditions and his judgment is not limited by a restricted line. The F-M line is complete. To meet him, write Fairbanks, Morse & Co., 600 S. Michigan Ave., Chicago, Ill. Branches and service stations throughout the United States and Canada.

Have you heard about F-M TIP COOLERS for spot welders?



## FAIRBANKS-MORSE

Air Conditioning and Refrigeration Equipment

# FOOD

## Seeds of Victory

Shipments to Allies and fighting fronts this year almost treble; seed saves cargo space devoted to food.

One way to save cargo space for vital military shipments is to send less food to our Allies and more seeds in time for planting. Exports of seeds so far this year reflect forehanded application of this formula.

• **Shipments Heavy**—In all of 1942, U. S. shipments of seed under the auspices of the Food Distribution Administration of the Dept. of Agriculture amounted to 22,600,000 lb. In the first two months of this year, 21,600,000 lb. were shipped.

Although this is a fractional part of American seed production, the vastly expanded agricultural program and the Victory garden drive here make it possible that there still will be a squeeze on U. S. supplies. The balance seems to swing on whether Victory gardeners stick to hot-bed "sets" or buy their seeds in packets, only parts of which will be used.

• **Extensive Programing**—FDA has developed seed programs for both Allied and neutral countries, for lend-lease, war relief agencies, the Office of Inter-American Affairs, the U. S. Army, American Red Cross, and for postwar reconstruction stockpiles.

Seeds for agricultural rehabilitation and expansion followed close on the heels of Allied troops moving into North Africa. FDA has provided 160,000 lb. of seed for 80,000 Victory garden kits sent abroad by the British War Relief Society. In each packet was enough seed for a complete garden of beans, cabbage, carrots, onions, radishes, and other vegetables that are easily grown.

• **Seed for Down Under**—When Australia became a major U. S. base in the Pacific and an acute shortage of vegetables appeared imminent, FDA supplied the seed to expand local production to the highest level in history.

Finding seed for the Soviet Union was no simple task. Millions of pounds of seed have been shipped for farmers moving into the territory gained during the winter offensive. For farmers evacuated into the unbroken northern steppe lands, FDA found suitable 90- to 100-day-season corn seed from Minnesota.

• **Tobacco to Russia**—Soybean seeds with an 85- to 100-day-season have

been shipped in quantity. Familiar brome grass seed has been sent to Russia, as well as unfamiliar varieties of wheat grass, with accompanying instructions for seeding and handling. Enough tobacco seed to plant 100,000 acres has been shipped at Russian request by FDA.

Nearly every Ally has received U. S. seeds to expand production and reduce imports, but in addition, some U. S. exports have had practical military objectives.

Distant Army and Navy posts frequently rely on locally grown fresh foods, and basic seed needs are filled by FDA.

• **Camouflage Uses**—Hastily leveled airfields in strategic spots require equally rapid camouflaging, and FDA fills the bill with quick-growing grasses and shrubs. New runways are protected from detection and erosion by hardy creeping fescues and low growing Bermuda grass.

Although major seed programs are mapped well in advance, bombers and battleships have delivered emergency requirements to distant farmers. And not all seed strategy involves one-way operations. The first sacks of kok-saghyz, the rubber-bearing Russian dandelion (BW-Apr. 4 '42, p31), arrived in



## COME BACK!

Volunteer farm workers are being sought in every quarter, as the Dept. of Agriculture recruits its U. S. Crop Corps to help solve a serious labor problem. As the spring planting season blankets the country, the latest approach is a back-to-the-land appeal to city dwellers—even with a series of posters (above), radio programs, and newspaper advertisements.

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# Rolling through the Rockies

YOUR uniformed sons and daughters, traveling over America on the Great Northern Railway, cross the Continental Divide almost without knowing it. The train follows a natural route—easy as a game trail—through the scenic grandeur of the Montana Rockies. That is Marias Pass!

At the top of the pass—at Summit, Montana—they see a statue of its discoverer, John F. Stevens, who still is living. In December, 1889, Stevens found a broad, natural corridor through the Rockies, which provided the lowest (5,213 feet) and easiest railway pass in the northern United States.

Stevens' discovery not only gave Great Northern a low-altitude pass through the mountains, it also led to establishment of Glacier National Park—the only national park on the main line of an American railway.

Manpower, firepower and supplies for America and her Allies are rolling through the Rockies faster and on time because Marias Pass affords swifter, safer handling of trains.

Marias Pass helps make Great Northern dependable—a vital artery to Victory.



## GREAT NORTHERN RAILWAY

ROUTE OF THE EMPIRE BUILDER  
BETWEEN THE GREAT LAKES AND THE PACIFIC





# Fibre that Wins in both Peace and War



ALL FIBRE ...  
NO PRIORITY  
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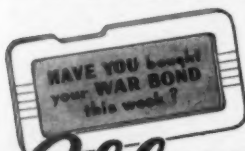


## Elliott Address Cards Require No Priority

Though new Elliott Addressing Machines are limited to Government priority, you can obtain a good used Elliott without any restriction whatsoever.

Write today on your business letterhead for information on used machines and literature on the advantages of the Elliott Typewriteable Address Card method.

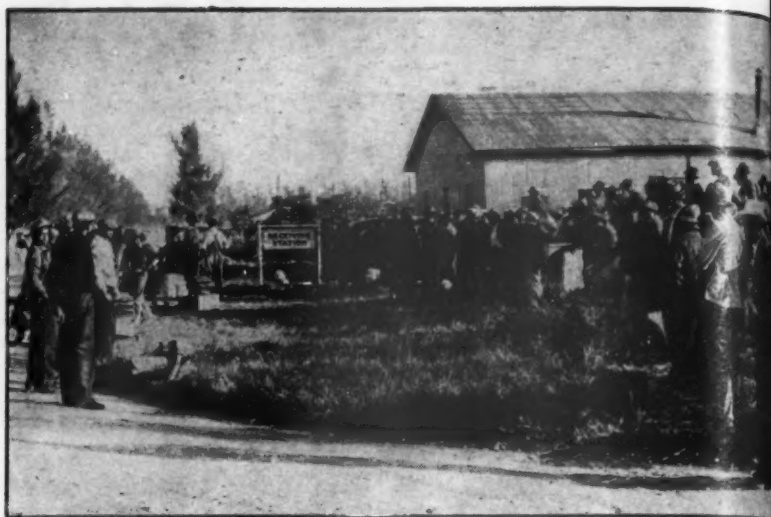
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# Elliott

## ADDRESSING MACHINES

... for Social Security ... Taxes ... Billing  
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Advertising ... Record Control ... Pay-  
rolls ... Public Utilities ... Insurance  
Companies ... Issuing War Bonds.



## MORE HANDS NEEDED

Rising prices and increasing demands for farm products are piling more and more work on growers and packers in Florida's lush agricultural regions. But despite high wages, manpower shortages are acute, forcing greater dependence on migratory workers from

neighboring states. United States Sugar Corp. is a big employer of migrants (above), and hopes to staff its twelve plantations bordering Lake Okeechobee before harvest time. Meanwhile, temporary hands at Belle Glade's Blue Goose packing house are working full blast to keep produce rolling to ever-increasing markets.



this country by plane, and the Board of Economic Warfare still ferrets out seed from distant sources to avert critical shortages at home.

• Shipments to Treble—Exact blueprints of 1943 seed requirements for export are carefully guarded by Washington, but tentative plans envisage shipments of close to 60,000,000 lb. of vegetables and field-crop seeds—nearly triple the amount exported in 1942.

## FLOUR BAG STANDARDIZED

Reducing from 21 to 6 the bag sizes for flour in bags from 1 to 100 lb., WPB's order M-221 becomes effective

May 1, but flour millers, long accustomed to traditional measurements based on a barrel weight of 196 lb., got in some early practice, started quoting prices on the basis of a hundredweight according to the new standard sizes a fortnight ago.

The new standards are now 2, 5, 10, 25, 50, and 100 lb. Previously millers doing interstate business were faced with such sizes as 1½, 3½, 7, 12½, 24½, 49, 96, and 98 in New York; 2, 5, 10, 20, 24, and 48 in Louisiana and 3, 6, 12, 24, 48, and 96 in Texas—other states have similar variations. The Army, biggest flour purchaser in America, has been buying in 100 lb. bags since 1942.

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power to increase the abundance and quality of our farm yields. *Feeds* to expand our production of poultry, cattle and swine. *Chemicals* for munitions and other war purposes. Thus International's chemical research serves you today with new processes and new materials which tomorrow will contribute importantly to your greater comfort, convenience and pleasure. *International Minerals & Chemical Corporation, 20 North Wacker Drive, Chicago*

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Speed Ranges up to 16 to 1—Sizes 1 to 30 hp.



This illustrates an application, typical of many, in which Reliance V\*S Drive reduces operator training time through the ease, convenience and flexibility of all-electric power control. This simplicity of machine control not only permits greater latitude in the selection of personnel but helps bring new operators up to peak production quicker. For further advantages of Reliance V\*S Drive and its varied applications in many other industries, send for Bulletin 311.

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# RELIANCE <sup>AC</sup> <sub>DC</sub> MOTORS

## Bakers Win Fats

Projected slash in oil sidetracked; FDA to allow 100% of 1942 shortening supply to increased flour milling.

The 30,000 commercial bakers succeeded in selling OPA and the Food Distribution Administration a plan that calls for 100% of 1942 usage of fats and oils instead of the 70% as set by Ration Order 16 for the baking and most other food industries.

• **Asked 15% Increase**—In order to comply with FDA's request for a 25% increase in flour milling, bakers pressed their case in hearings, getting 100% of 1942 supply; however, bakers had asked for 115% of 1942 use, or 1,170,000,000 lb., so as to be able to take care of the increased consumption of bread and baked goods.

Following FDA's increased allowance of shortening to bakers, millers and packers of prepared flour mixes have received assurance that they, too, will get 100% of their 1942 shortening for such products as Bisquick, Oreo, ready, and other domestic mixes. Now the commercial bakers are back at OPA and FDA, this time protesting that prepared mixes for home baking are to receive 100% fat, then such prepared mixes as doughnut flour and certain pastry and sweet dough mixes bought by many bakers should also receive 100% shortening allotment, instead of 70% as is now the case under Order 16.

• **Point Change Sought**—The millers are faced with bakers protesting shortening increases for the housewife on the grounds that bakers can utilize the fats for more quantity and better quality with less labor than home baking while housewives are shying away from home baking and leaving family flour on grocery shelves because shortening requires the same red stamps required for meat. Millers and various consumer groups have petitioned OPA and FDA to change the shortening distribution plan with a separate rationing system for home baking or to reduce the point value of shortening.

## FOOD STRETCHER

Facilities for the production of edible soya products, with which the Allied armies fortify their cereals, meats, and other foodstuffs, will be greatly expanded by the end of the year. The Dept. of Agriculture reports the capacity of facilities by that time will be 1,500,000,000 lb. a year, chiefly in flour, granules and flakes.

The department's researchers are developing a program for utilization of soya products both in kitchen recipes



# This Little Pig Goes to Market

## FASTER and BETTER BY TRUCK-TRAILER

Not only this little pig, but two-thirds of the tonnage of America's hogs, cattle and sheep go to market by motor transport . . . a vast proportion of them by Truck-Trailer.

Always essential for our national sustenance, this service is still more vital now that our meat production has jumped nearly 20 per cent and we have our far-flung troops, as well as the workers at home, to feed.

Why are Truck-Trailers preferred for livestock hauling? Because they do a better job for the farmer, the packer and the consumer. Consider the typical service of Parkway Transfer, of Elgin, Illinois.

Parkway's fleet of Fruehauf Trailers carries livestock from corn-belt farms to the Chicago market, giving day and night service around the calendar. Whether farmers have a few head or hundreds of animals, the stock can be loaded at the barn, hauled to market and unloaded in a few hours . . . less time than it would

take to order and spot a rail car. Then, too, Trailers carry the stock with less shrinkage and bruising. And there's seldom any cost for feeding in transit.

Ninety average hogs, or sixteen steers ride in Parkway's 24-foot Fruehauf Trailers. These loads, about 20,000 pounds, are pulled by economical 1½ to 2-ton trucks . . . a big money saving.

Moreover, these Trailers do a two-way job . . . and thus give farmers greater service and Parkway added profit. Return trips carry agricultural limestone, feed, supplies, feeder stock, etc. Between trips to market, they haul soybeans, corn, etc., from surplus areas to mills or feedlots.

The livestock industry is only one of the more than 100 lines of business in which Truck-Trailers are doing hard jobs more efficiently.

World's Largest Builders of Truck-Trailers  
**FRUEHAUF TRAILER CO., Detroit**  
Member Automotive Council for War Production



### FRUEHAUF SERVICE

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Trailer operators know that Fruehaufs require little service attention, but when it is needed, there's a Factory Branch Service Station conveniently close. Fruehauf maintains the only nation-wide Trailer service organization, with fully equipped shops and complete parts stocks in more than fifty strategically located cities.

# FRUEHAUF Trailers

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TRUCK-TRAILER TRANSPORT IS DOING AN ESSENTIAL JOB FOR ALL AMERICA

### Meat IN AMERICA!

The annual per capita consumption of meat (excluding poultry) in the U. S. during the past decade has been about 130 pounds.

The allotment of meat for each American soldier, sailor and marine is 410 pounds per year.

In 1941, nearly 8½ million tons of meat animals were shipped to market by motor transport.

There are many regular, profitable Truck-Trailer livestock hauls up to 1,000 miles or more.

Motor transport must be kept running . . . parts, tires and replacement vehicles must be available.

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WRITE FOR ILLUSTRATED CATALOG showing 14 different designs and sizes. All are wrought in enduring wood of matchless beauty, for permanence. Special designs submitted if desired. Prompt delivery on all orders, whether for 6 names or 6,000!

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and in prepared foodstuffs. Soya products are rich in protein, minerals, and vitamins, and are readily adaptable as a supplement to meat, milk, and eggs. Production now amounts to about 500,000,000 lb. a year. It should pass the billion mark by midsummer.

## Town Canneries

**Communities welcome  
idea of cooperative packing to  
eke out supplies of rationed  
foods; rapid spread seen.**

As fruit and truck crops mature on the northward surge of warm weather, community canning enterprises are sweeping the country, backstopping shortages and easing the pressure on ration-bound foods. Statistics are not on tap, but the Dept. of Agriculture estimates that 10,000 such centers are under full steam; a terrific growth is promised by the time of the last harvest.

• **Permanence Doubtful**—Commercial canners, interestingly enough, are not losing sleep over their new competitors. Primarily, it is an emergency venture—one that has sprung up with virtually every modern war, drought, and depression—only to fold up when the emergency has passed. Even more important, amateur canners lack the supplies and facilities to blanket markets that are based largely on brand names and reputations.

Observers concede, however, that a few permanent canneries may grow out of the wartime enterprises. Cooperation is the watchword in all of the new ventures—a big factor in small communities. In Florida, for example, a citrus grower notifies his local community cannery when he has more fruit than can be shipped. Borrowed trucks and equipment haul and process the fruit, and everyone is paid off in cans out of the resulting pack.

• **It Means New Business**—Industry already is getting the backwash of the sudden interest in home and community canning. Sales of jars, cans, caps, sealing rings, kettles, and pressure cookers are in astronomical brackets (BW—Apr. 17'43,p68)—and still rising.

WPB has allocated metal to make 150,000 seven-quart steam canners for late summer release by rationing. Additionally, a tremendous sales volume of boiling-water bath canners is in prospect.

• **Equipment to be Rationed**—Under Dept. of Agriculture plans, special county committees will allocate the new canning equipment where it can be used most effectively. Such rationing will give preferential treatment to large community and club canneries over individual families—in order to make each unit serve as many persons as possible.

The cookers will be a streamlined, simplified version of standard equipment, so designed to save critical materials and manufacturing processes. Kettles will have enameled steel bottoms, tinplated tops, made in accordance with WPB's conservation edicts.

• **Some Government Help**—Should industry founder under demands for supplies and equipment, government agencies probably will help out. The defense WPA and the National Youth Administration have thousands of cans in storage—entwined in red tape. Their canners, however, are being released to Japanese relocation centers and to Alcan Highway crews for use as mess cookers.

Meanwhile, warehouses are being sacked for the large steam canning vats that were pressed into service during such emergencies as the 1934 drought when Dust Bowl cattle were jammed into cans. There is even debate on commandeering canning equipment owned by schools which do their own packing during class terms.

• **The Favorites**—Once equipped, all the community canners will follow a pattern dictated by OPA's ration values. Because of their high point tag, tomatoes, fruits, and fruit juices will be favorites.

Although canneries are taking the community competition quietly, the experts have a few words of advice and warning for amateur packers. Most important is the fact that meats, beans, parsnips, peas, corn, and greens must be pressure-cooked to safeguard against poisonous botulism. However, acid produce (fruits, tomatoes, etc.) may be prepared by the boiling bath method.



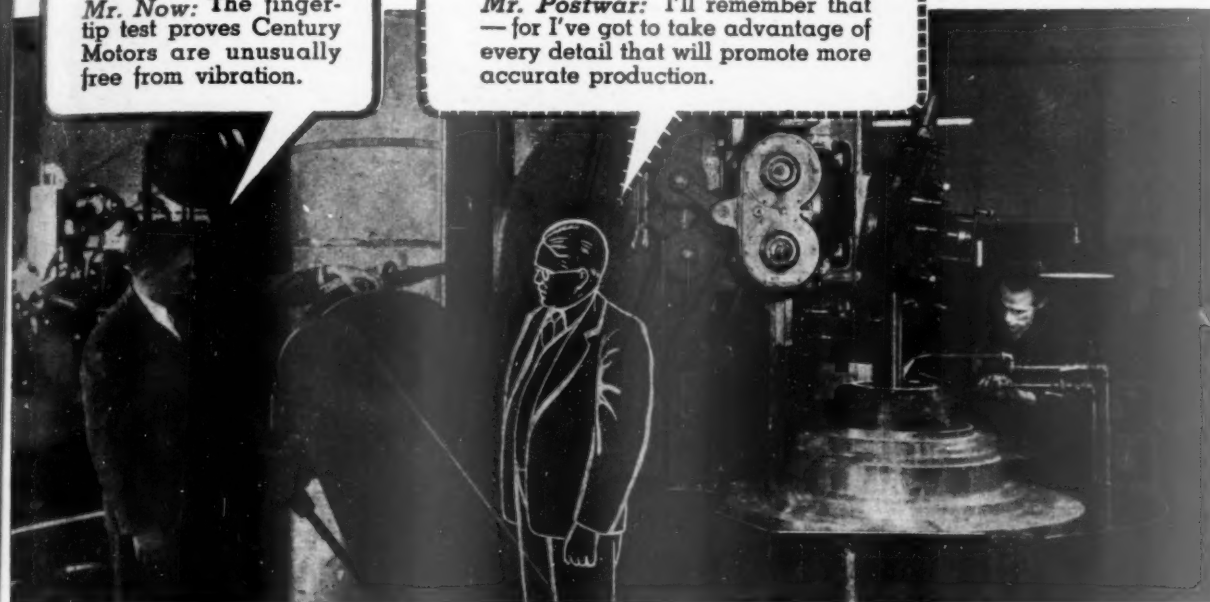
## NEIGH ON NAMES

To customers of Scottie's Pony Markets, Oakland, Calif., whinnyburgers are the horse meat equivalent of frankfurters. Scottie was not facetious in choosing the name; the government bans such bovine titles as hot dogs and wieners for horse products. Meatloaves and whinnyburgers, prepared and linked like frankfurters, are checked by a city inspector (above).

# Take a Look at TOMORROW—*Today!*

**Mr. Now:** The finger-tip test proves Century Motors are unusually free from vibration.

**Mr. Postwar:** I'll remember that — for I've got to take advantage of every detail that will promote more accurate production.



## CENTURY MOTORS' Unusual Freedom From Vibration Helps Machine Tool Accuracy



Century Form J Motor

**Century  
MOTORS**

On today's production front, Century Motors' unusual freedom from vibration is recognized as being of vital importance where quietness, accuracy, and precision work are all-essential.

Not only the rotational balance of Century Motors, but their design—which includes magnetic proportions, end-bumpers, rugged frames, extreme rigidity, and accurately machined feet—contribute to this extremely valuable feature. You can easily test it by placing your finger-tips on a running motor!

Out of the demands of Wartime production, where so often tolerances must be held to the closest limits, are being developed even *finer* Century Motors. It will pay you to remember Century in your present and postwar planning.

**CENTURY ELECTRIC CO.** 1806 Pine Street, St. Louis, Mo.  
*Offices and Stock Points in Principal Cities*

Century Motors are available in a wide variety of types from 1/6 to 600 horsepower.

**One of the Largest EXCLUSIVE Motor and Generator Manufacturers in the World**



# WAR BUSINESS CHECKLIST

A digest of new federal rules and regulations affecting priorities and allocations, price control, and transportation.

## Die Castings

In order to forestall a rise in the prices of die castings, OPA has set ceilings at the lowest level in effect between Apr. 1, 1942, and Apr. 30, 1943. A formula is contained in the regulation for pricing castings not sold during the base period. Manufacturers whose sales volume during 1942 was less than \$100,000 (about 40% of the total companies, but with only 3% of the output) are exempt from the ceilings. (Regulation 377.)

## Luggage

Beginning July 1, hand luggage may be made only in seven basic types (page 70) and will be drastically limited in size and design. Use of leather and iron and steel is limited to functional purposes, and use of zippers and parts containing copper, zinc, aluminum, and their alloys is banned entirely. Output is limited to specified percentages of 1941 dollar value, ranging from 50% for factories with 1941 sales over \$750,000 to 86% for plants with 1941 output under \$25,000. (Order L-284.)

## Cotton Textiles

Output of cotton textiles will be increased an estimated additional 220,000,000 yd. annually without the use of additional facilities or raw materials through WPB action further simplifying construction of a long list of products. The first action of this type, in March, required that specified looms weave only specified types of fabrics (BW-Mar.20'43,p66). That action covered about 20% of the looms in the entire industry. The new amendment applies similar restrictions to an additional 35% of the looms, and the total additional output of both actions is estimated at 450,000,000 yd. a year. (Order L-99, as amended.)

## Chemicals

Producers of chemicals and allied products have been exempted from the provisions of CMP Regulations 5 and 5A. Order P-89, as amended, sets up a special procedure for such producers to use in obtaining maintenance, repair, and operating supplies.

## Combat Measuring Instruments

Manufacturers of combat measuring instruments (as defined in Schedule A of Order L-203) must schedule their production on the basis of preference ratings alone, without regard for CMP allotment numbers. (Direction 2 under CMP Regulation 3.)

## Essential Services

When there is an actual or threatened shortage of an essential service in a specific area, the regional OPA administrator for

the area may establish a maximum price for that service. (Amendment 20 to Regulation 165.)

## Oil Country Tubular Goods

WPB has issued a simplification schedule which cuts the number of items of oil country tubular goods that may be produced to 168, a reduction of nearly 50% from the more than 300 items formerly made. (Schedule 9 to Order L-211.)

## Auto Maintenance Equipment

Use of copper in such automotive maintenance equipment items as bearings, bushings, and check valves has been banned by WPB, except where use of noncritical materials is impracticable. (Order L-270, as amended.)

## Tire Retreading Equipment

All limitations on the distribution of used tire retreading, recapping, and repair equipment have been lifted by WPB. In addition, production and sale of new equipment having a retail value of \$85 or less are now permitted without restriction. (Order L-61, as amended.)

## Spices

Consumers' quotas of spices, which were recently cut sharply to conserve supplies (BW-Apr.10'43,p60), have been increased



American Locomotive Co.  
Latrobe, Pa.  
Brass Foundry Co.  
Peoria, Ill.  
B. F. Goodrich Co.  
Clarksville, Tenn.  
Mueller Co.  
Decatur, Ill.  
National Enameling & Stamping Co.  
Granite City, Ill.  
The Protectoseal Co.  
Chicago, Ill.  
John Royle & Sons  
Paterson, N. J.  
Thomson Co.  
Thomson, Ga.  
Vaughan Novelty Mfg. Co., Inc.  
Chicago, Ill.

*Names of winners of the Army-Navy Award for excellence in production announced prior to this new list will be found in previous issues of Business Week.*

for the second quarter of 1943 to prepare for the spice needs of increased home canning this summer. (Amendment 2 to Food Distribution Order 19.1.)

## Gasoline Rationing

Motorists outside the eastern shortage area may qualify for additional gasoline rations up to a maximum of 720 miles a month (as compared with 470 previously) if they need the additional gas entirely for course-of-work travel and if they meet regular car-sharing requirements. (Amendment 45 to Ration Order 5C.)

## Gas for Victory Gardeners

A Victory gardener may be allotted extra gasoline up to a maximum of 300 additional miles for the entire season if the garden in question contains at least 1,500 sq. ft. devoted to the production of vegetables, if there is no other way he can get to the garden, if his labor is necessary to its cultivation, and if he has made every possible effort to share his car with others in the same situation. (Amendment 44 to Ration Order 5C.)

## Sauerkraut

To encourage a larger output of sauerkraut, which has been threatened by packers' unwillingness to risk heavy processing in the face of a shortage of consumer-type containers, the War Food Administration guarantees that it will buy all stocks of bulk kraut remaining in packers' hands at the end of the marketing season at 14¢ a gal. for U. S. Grade C or better, plus cost of containers.

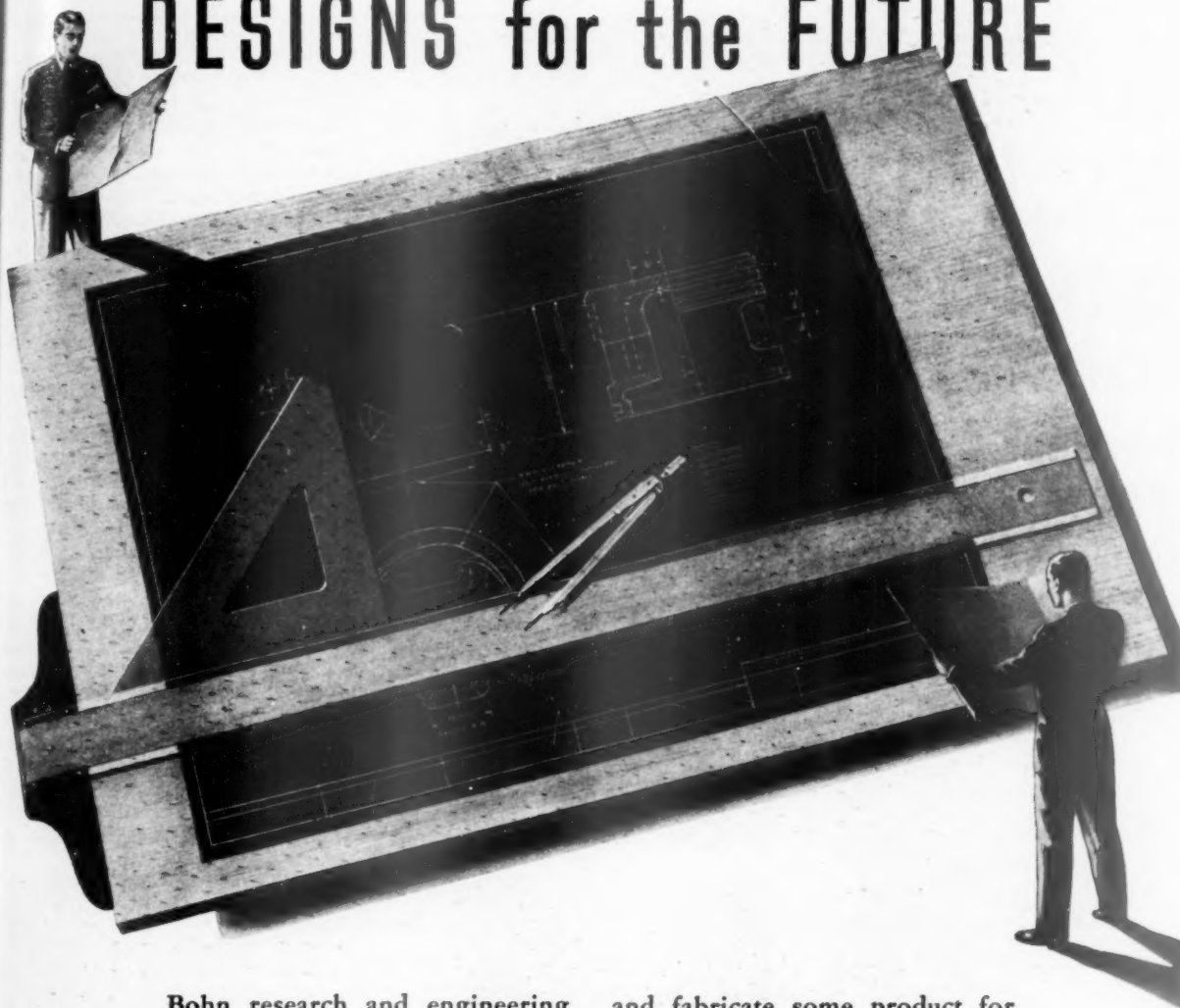
## Other Priority Actions

Amount of sole leather that tanners and converters must set aside for civilian repair is cut from 25% to 20% by Order M-804. . . . Order L-206, as amended, tightens control over manufacture and distribution of new X-ray equipment. . . . Civilian defense helmets may be manufactured and sold only to fill orders from the governments of this country and the other United Nations under Order L-105, as amended. . . . Amendment 1 to Food Distribution Order 5 increases the amount of chicory that may be packed for sale to individual consumers. . . . Additional ration coupons for nurses' shoes are available to nurses' aides on application to local OPA offices. . . . Order M-239, as amended, relaxes control of delivery and use of talc. . . . Certain nonfood byproducts of animal slaughter, including thyroid and other gland products, are exempted from rationing by Amendment 13 to Ration Order 16.

## Other Price Actions

Specific dollar-and-cents ceilings for used railroad track accessories, relaying rail, and relaying girder rail are set in Regulation 46. . . . Regulation 372 sets dollar-and-cents ceilings on used washing machines. . . . Dollar-and-cents ceilings for beech lumber and certain additional thicknesses of birch lumber are set by Amendment 5 to Regulation 223. . . . Revision of Regulation 19 makes important changes in ceilings on Southern pine lumber.

# DESIGNS for the FUTURE



Bohn research and engineering have developed many non-ferrous improvements. Each one of these steps is of far-reaching importance to industrial America.

Business leaders more and more consult this organization because of our advanced knowledge and wide experience. Maybe some day, Bohn engineers can design

and fabricate some product for you. Today all of our efforts are on war materials.

But later, let's talk to each other about how we might be of assistance to your company. We make it our business to find new ways to produce better things for less money.

**BOHN ALUMINUM AND BRASS CORPORATION**  
GENERAL OFFICES—LAFAYETTE BUILDING • DETROIT, MICHIGAN

*Designers and Fabricators*

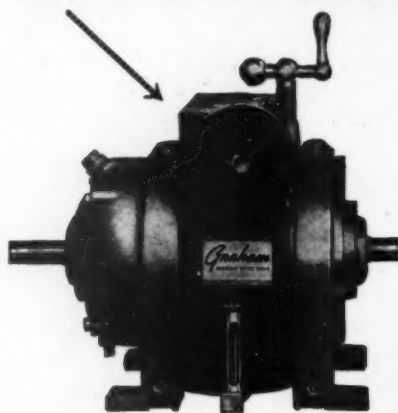
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## Know the Name

# BOHN

# WHY CRAMP YOUR NEW MACHINES WITH LIMITED CHOICE OF SPEEDS when the GRAHAM gives ALL SPEEDS from TOP to ZERO



ONLY THE  
*Graham*  
VARIABLE  
SPEED DRIVE  
GIVES YOU

1. Not just 5 to 1 range, or 10 to 1, or 100 to 1, but every speed to zero, forward and reverse, without stopping the motor.
2. Full torque guaranteed over the entire speed range.
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Machine designers who are modernizing for the post war market should investigate the Graham.

Write for Bulletin 501

Machine Builders — Order a 1/4 HP Graham now to prove its advantages — use it in your laboratory as a utility all-speed test unit. WE CAN DELIVER!

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## LABOR

### Strange Interlude

Industry members of NWLB support checkoff and maintenance of membership but warn it is no precedent.

An award granting a union a maintenance-of-membership contract combined with an automatic checkoff was supported for the first time by employer members of the National War Labor Board last week, and they were at pains to point out that their action "must not be taken as a precedent."

• **Labor Members Dissent**—Industry representatives Roger Lapham, Cyrus Ching, and Frederick Fales voted for the automatic checkoff in a case involving Bethlehem Steel Corp.'s shipbuilding division at San Pedro, Calif., and C.I.O.'s International Union of Marine and Shipbuilding Workers. They were joined by the board's public members, while labor members dissented in a strongly worded minority opinion.

The board's decision was in the form of a supplemental order to a previous directive concerning wages and working rules last February. At that time, the board deferred action on the union's

request for a union shop and a preferential hiring hall pending an investigation of the issues.

• **Understanding Denied**—In presenting its case, the union claimed that there was an oral understanding, or a gentlemen's agreement, calling for the employment of only C.I.O. members in the San Pedro yards. The company denied such an understanding, maintaining that it has hired men from every available source, including the union, but that it has never hired through the union exclusively.

"Despite our opposition to the maintenance-of-membership clause combined with an automatic checkoff provision," the employer members stated, "we decided in this instant case to vote for it and thus support the public members who denied granting a closed shop because of an alleged unwritten understanding."

• **Previous Award Cited**—Accepting the union assertion that an oral understanding did in fact exist, the labor members of NWLB asserted that failure to award the union shop would be a disturbing factor in Pacific Coast labor relations. They cited a previous NWLB dictum which held that "to push union shops back into open shops would destabilize working relations in the war industries."

The labor dissent was, of course, not



### UNION ON BROADWAY

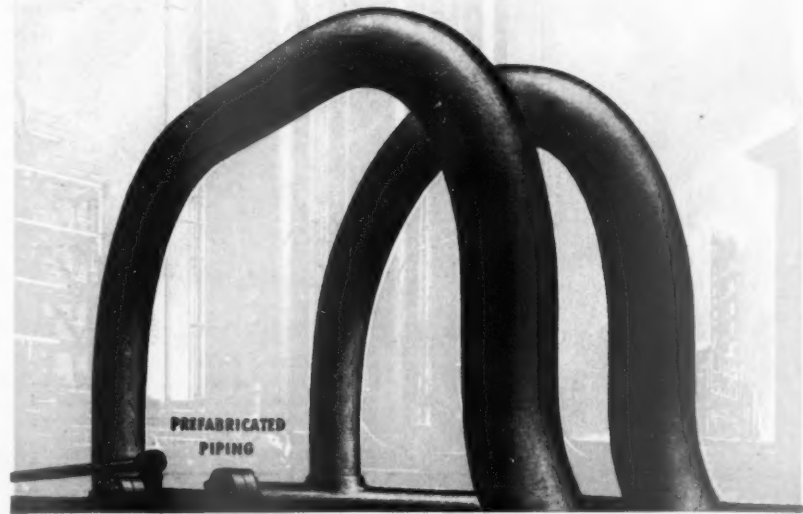
Conversion of an automobile showroom to a union temple is an accurate sign of the times—portraying unionism's rapid growth, the auto industry's wartime hibernation. Once

Ford's main New York outlet, the building (above) now belongs to the International Ladies Garment Workers Union. The Broadway building has 63,000 sq. ft. of floor space, almost 400% more than the headquarters put up by the I.L.G.W.U. in 1921.



# FLUID TRANSPORT

*The Nation's 5<sup>th</sup> Carrier...*



**REMOVE THE PIPING FROM A PETROLEUM REFINERY** and what have you left? From well to tank car an unfathomable maze of piping provides **FLUID TRANSPORT**.

Here, as in scores of other industries, the piping formula is made up of such components as: materials to be carried, heat, cold, expansion, contraction, pressure and corrosion. Grinnell provides the specialized engineering combined with the manufacture and fabrication of the many connecting links needed to convert a pile of pipe into a complete *piping system*.

For war construction, or maintenance and repair of existing piping, call Grinnell Company, Inc. Executive offices, Providence, R. I. Plants and offices throughout United States and Canada.

## GRINNELL

WHENEVER PIPING IS INVOLVED



Grinnell Sunders  
Diaphragm Valves

Pipe and Tube Fittings

Coupling Hangers

because of opposition to the checkoff, but because the choice was between membership maintenance and a union shop. The minority lashed at the industry representatives, asserting: "The fact that employer members of the board have, for the first time, voted for a membership-maintenance clause, without an escape provision, and an automatic checkoff clearly demonstrates their conviction that this union is entitled to a greater degree of security than they have supported in any case so far decided by this board."

• **Never Aloof in Splits**—Employers on NLRB traditionally have supported the weakest union security proposal that has a chance of acceptance by the board's public members. Although they have often filed separate concurring opinions and have often been in the minority, they have never stood aloof when differences divided the labor and public representatives. Their practical working rule has been to vote with the public members in opposition to labor on all union security questions.

## Vacation Debacle

Everybody agrees the war worker needs a rest, but all the government agencies divide on how he should spend it.

In contrast to policies of 1941 and 1942, when Washington put a damper on vacations, advocating instead that employees stay at work and receive a bonus in lieu of time off, the War Production Board this year is encouraging war workers to take vacations.

• **Agencies Conflict**—But where they'll go, how they should go, what they'll do when they get there, how much they'll spend, and whether indeed they should go at all are subjects upon which no two of the Washington war agencies can agree.

The War Manpower Commission wants the war worker to spend his vacation restfully so that fatigue may be dissipated and future absenteeism minimized. The Food Distribution Administration wants the vacation spent on the farm in agricultural labor. Selective Service wants it spent close to a registrant's draft board.

• **Garden or Raid Shelter?**—The Office of Defense Health and Welfare wants the war worker's vacation spent in home gardening. The Office of Civilian Defense wants it used for brushing up on air raid precautions. The Office of Price Administration will allow no additional gasoline rations and hopes other forms of transportation will be used. The Office of Defense Transportation wants no vacation travel on railroads or buses.

OPA wants vacationing confined to

# X-Y=100 WAR-METAL TONS

**X equals metals required for steam heating plant and distributing system in one municipality installation.**  
**Y equals metals used in Dravo Direct Fired Heating system for this same plant.**

**BOTH are equal in B. T. U. output, yet a nearly a hundred tons with Dravo Direct Fired Heaters as against the central steam system. Installation time, computed in days, instead of months, equals fewer manhours. Analysis of operating costs showed  $\frac{1}{10}$  to  $\frac{1}{4}$  less fuel consumption—a war time economy of transportation, as well as a fuel saving.**

**DRAVO CORPORATION**  
 Heater Department  
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**Oil  
Gas  
Coal**

● Dravo systems are designed for every size and shape structure, industrial, service camp buildings. "All about them" information may be had in Dravo Bulletin 505.

such outlets as recreation and amusements. The Treasury wants vacation checks salted away in war bonds. And the Office of War Information is issuing material telling the traditionally care-free vacationist what his government expects of him in wartime.

● **Benefit War Program**—How to reconcile all those ideals is not likely, however, to trouble the war worker. No matter how or where he spends his vacation, the feeling is general that the war program will benefit in increased individual productivity and over-all output.

WPB Chairman Donald M. Nelson has asked that vacation schedules be planned to avoid work interruptions. He wants the release of employees for summer holidays to be provided for by working ahead in some departments, by staggering vacation periods, by bringing in substitutes, and, where necessary, by working overtime. As he sees it, vacations will be a fine thing for morale.

## Hidden Pay Rise?

Steel industry feels that WMC's 48-hour week order is really a way of raising wages without changing hourly rates.

The War Manpower Commission's decree that the steel industry must go on a 48-hour week by July 1 and can hire no new employees after June 1 without WMC approval is highly distasteful to the industry.

● **Size of the Wage Bill**—The not unexpected move (BW—May 1'43, p86) found steelmasters with calculations already made on the amount to be added to the industry's wage bill. Their estimate is a cool \$100,000,000 a year.

Employees in the steel industry are now averaging 41.5 hours a week, and, according to WMC, some 50,000 will be released by the extended work schedules for placement in other war plants. Industry spokesmen based their criticism of the order on the fact that steel production is running at over 99% of capacity and will not be raised by a longer work week. They felt that the Manpower Commission was playing labor's game—handing the steelworkers a disguised wage increase.

● **Minds Are Made Up**—The controversy which has raged over whether the 48-hour week, with twelve hours pay for the extra eight hours worked, is inflationary or whether it releases enough workers to produce equivalently additional supplies has now become academic. Federal policy has crystallized on the side of the 48-hour proponents. The government may now be expected to extend the 48-hour-week rule to a long list of important industries.

## CONCRETE SHIPS are poured in Douglas Fir Plywood forms



● Above: The Maritime Commission's newest "war" ships are concrete oil and dry cargo barges.

● Left: Prefabricated forms of  $\frac{3}{4}$ " Exterior-type Douglas Fir Plywood produce smooth, uniform surface on concrete, save form and finishing labor.

● Douglas Fir Plywood's versatility makes it one of today's busiest materials. Many of its unusual applications are illustrated in new War Use folder. Write for a free copy. See how this Miracle Wood may be able to serve you after Victory. Douglas Fir Plywood Association, Tacoma, Washington.

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PLYWOOD**

*Real Lumber*  
**MADE LARGER, LIGHTER  
 SPLIT-PROOF  
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STRONGER PER POUND THAN STEEL

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## INGENUITY

along with extensive facilities  
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from metal...large or small  
Parts...Complete Assemblies  
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Visit our plant now...is the invitation we'd like to extend executives who will have peacetime mechanical parts or complete assembly problems to solve...but we're working 24 hours daily on aircraft armament and can permit no visitors. You can visit our plant and feel our spirit by way of our 36-page brochure "Ingenuity." Write for it (using your business letterhead, please). We're sure you'll find in it one answer to your problem. Joseph J. Cheney, President.

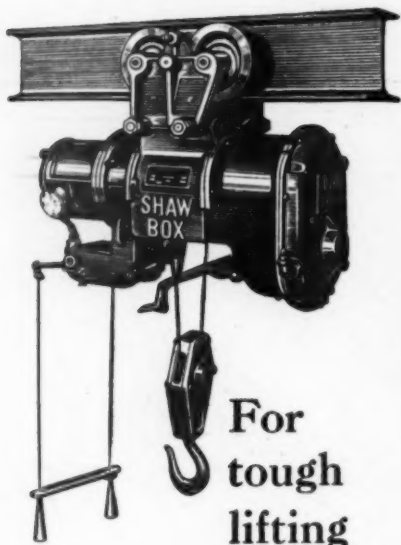


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**For  
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**W**HERE the lifting is continuous, where trouble-free service is vital, this rugged hoist takes the punishment—and asks for more.

Round-the-clock work, seven days a week, lifting loads to near-capacity—such conditions are normal for 'Load Lifter' Hoists in many war industries.

For 'Load Lifter' Hoists were designed for such jobs. In the simplicity of design is the secret of its strength. These features result in amazing efficiency:

1. "One-point" lubrication.
2. Roller Bearings and Ball Bearing Motor.
3. Safety upper stop and lower block; sure brakes.
4. Two-gear reduction drive; sealed against oil leaks.
5. Steel interchangeable suspension.

Send us details of the lifting work to be done and we will recommend the type of 'Load Lifter' Hoist exactly right for the job.

'Load Lifter' electric hoists are built with lifting capacities of 500 lbs. to 40,000 lbs. in all combinations required for industrial lifting. Adaptable to almost every working condition within their capacities. Send for Catalog 215.



## 'LOAD LIFTER' Hoists

**MANNING, MAXWELL & MOORE, INC.**  
MUSKEGON, MICHIGAN  
Builders of 'Shaw-Box' Cranes, 'Budgit' and 'Load Lifter' Hoists and other lifting specialties. Makers of Ashcroft Gauges, Hancock Valves, Consolidated Safety and Relief Valves and 'American' industrial instruments.

## Checks Go Out

Rhode Island makes first fund payment to compensate workers for time lost from jobs due to illness.

Rhode Island's Cash Sickness Insurance program (BW—Jul. 11'42, p76), under which 350,000 workers or about half of the state's population are covered on work loss due to illness, has reached the payoff stage.

• **Who Is Eligible**—Since last June 1, workers have been contributing 1% of their wages up to \$3,000. A fund built solely on employee contributions, now totaling \$3,000,000 and steadily growing, is the result. Benefits from the fund, ranging from \$6.75 to \$18 weekly, depending on the individual's wage credit, became available Apr. 1.

A sick worker may draw on the fund until his credit is exhausted but not for more than 20 weeks in any year. To be eligible for benefits, a claimant must have earned \$100 in "covered" employment during the preceding calendar year and served a full one-week waiting period during which he was unable to work because of illness.

• **First Checks Passed Out**—As of Apr. 21, 5,117 checks, totaling \$69,967.25, had been distributed to workers. A majority of the checks, the board reported, were for the maximum benefit of \$18 a week. Since Rhode Island is blazing the trail in respect to governmental health insurance, its experience

is being followed closely by advocates of both federal and state programs.

Rhode Island's Cash Sickness Insurance plan was authorized by the General Assembly a year ago and is administered by the Unemployment Compensation Board, which is paid from the fund's reserve for this service.

• **Epidemic Safeguard**—Two amendments to the original cash sickness law have recently been passed by the legislature. One would permit the government to authorize reductions in payments from the fund in the event of an epidemic or other development likely to cause a heavy drain on the reserve. The other would allow workers to collect from the fund even though their employers pay them while they are out.

## COURT FAVORS MINERS

Pioneer attempt in this war to move needed men willy-nilly from job to job was the Colorado Industrial Commission's attempt last summer (BW—Aug. 8'42, p48) to cancel unemployment benefits for unemployed coal miners who would not move to other coal mines or to metal mines.

The 300 men affected, all members of United Mine Workers of America, challenged the cancellation. The Colorado Supreme Court has just decided, 4 to 3, that George Lazar and Nepomuceno Parra are entitled to unemployment compensation. The men had been offered work 175 miles from home, but their counsel contended it was temporary, paid \$2 a day less, entailed higher living costs, and there were no living accommodations for families.

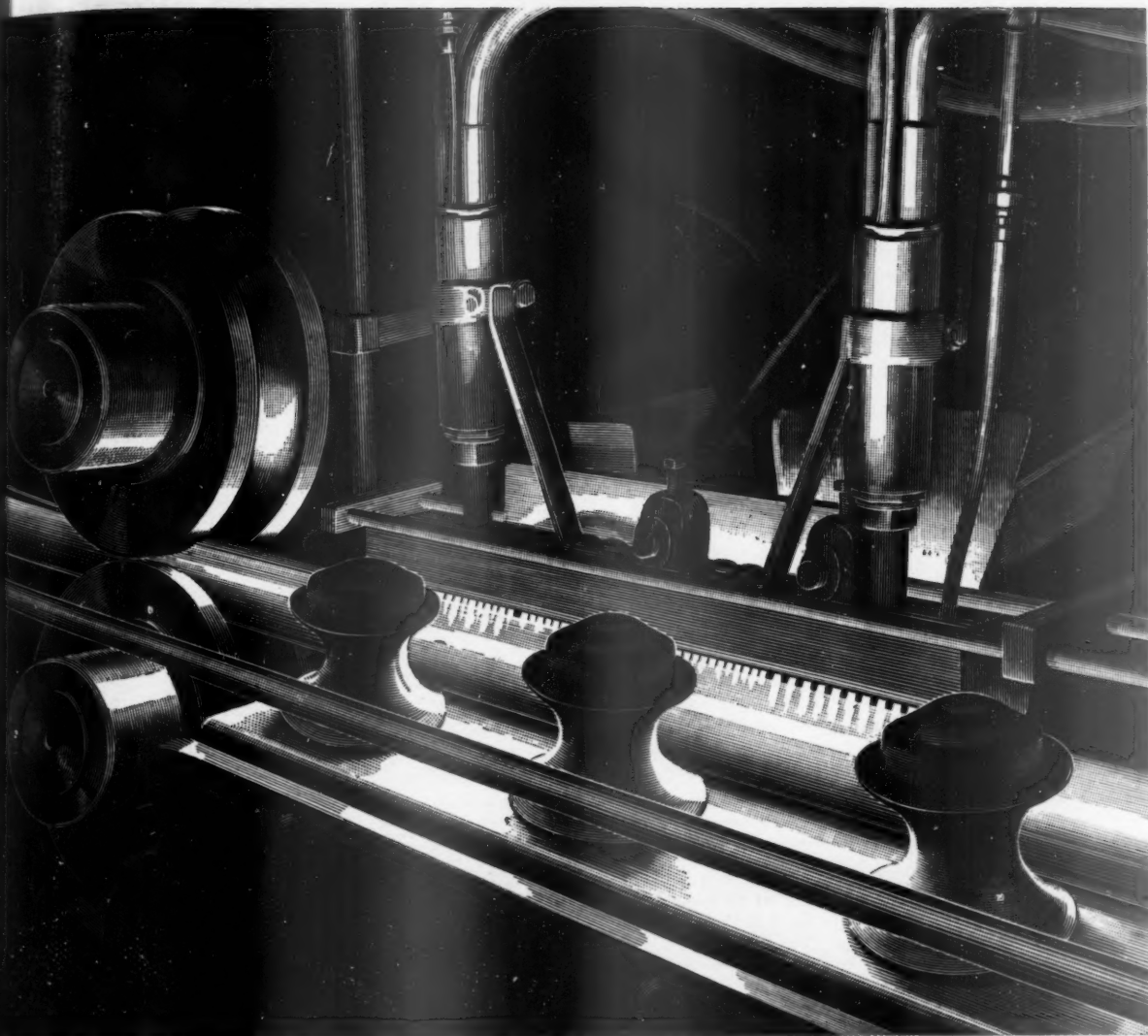


## IT'S NO PICNIC

Washington's Army and Navy personnel is independent of jammed lunch rooms and restaurants during warm weather—thanks to the American Women's Voluntary Auxiliary. A

lunch bar operated by the auxiliary provides a picnic atmosphere for workers between 11 a.m. and 2 p.m. daily. The facilities were opened in a part adjoining the Munitions Bldg. last summer and were expanded this year to accommodate 4,000 a day.

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## MACHINE-WELDING ARTERIES FOR INDUSTRY

**M**ACHINING under a shower of white-hot oxyacetylene flames at speeds up to 100 feet per minute, formed metal strip quickly converted into welded tubing. Tubing produced by this Airco automatic welding method is characterized by strength, shock-resistance, and uniform wall thickness—and especially by its speedy manufacture and low cost.

Because of these advantages, tubing welded by the Airco automatic method has found a wide range of uses in industry... from drive shafts in trucks and

tanks to its more common role in distributing gas, oil and water in machinery of production and war.

This use of the oxyacetylene flame is another example of how Airco research is extending the benefits of flame and arc processes to many manufacturing operations. By constantly increasing the efficient application of these processes, Airco research has broadened their usefulness to industry.

Air Reduction engineers will be glad to show you how you can apply oxyacetylene flame and electric arc processes to greatest advantage. Their services are at your disposal without obligation



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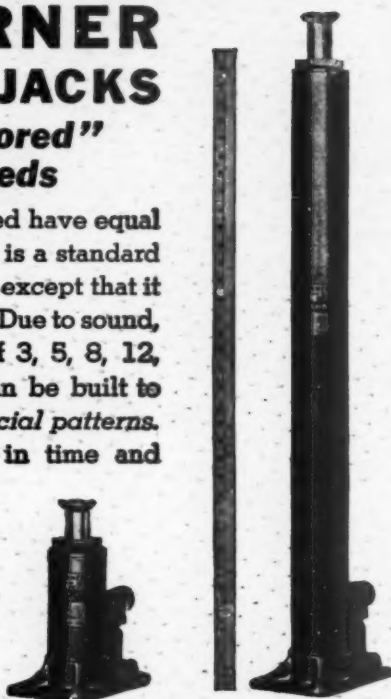
**DOUBLE CYLINDERS ARE PRODUCTION SLACKERS: KEEP 'EM ROLLING FOR VICTORY!**

**Attention! War production plants - -**

## HEIN-WERNER HYDRAULIC JACKS

**are easily "tailored"  
to special needs**

Both the H-W Jacks illustrated have equal capacity. The one at the left is a standard model, the other is identical except that it is made to a special height... Due to sound, basic design—H-W Jacks of 3, 5, 8, 12, 20 and 30 tons capacity can be built to *special heights without special patterns*. This means a big savings in time and money to factories producing war orders. Great on jobs involving lifting, pressing, bending, etc. For details, consult your nearest industrial supply distributor, or write us.



**HEIN-WERNER MOTOR PARTS CORP. . . Waukesha, Wis.**

## YOU CAN DEPEND UPON THE QUALITY OF GLOBE-WERNICKE WOOD FILING CABINETS

Compare Globe-Wernicke wood files with any other war-time files and you will quickly discover the difference in design, materials and workmanship. They are excellent examples of fine craftsmanship made by the world's largest manufacturer of wood business and filing equipment with unusual production facilities and an organization that "knows how"

These wood filing cabinets meet the war-time requirements to conserve vital materials and will give very good service. Your local Globe-Wernicke dealer will welcome an opportunity to show you the many advantages and features of these wood files . . . or write direct to us for more information.

★  
**BUY MORE WAR BONDS**



"Defender" style . . . available in 2, 3 and 4-drawer letter and legal sizes . . . finished in beautiful imitation walnut . . . or attractive medium dark green.

**The Globe-Wernicke Co. . . CINCINNATI, O.**

## Fizzle in Portland

DeShetler abdicates  
of wrestling Kaiser workers from  
A. F. L. for C. I. O.; row over  
finances rumored.

Early last month, the C. I. O. Marine and Shipbuilding Workers Union, in considerable ballyhoo, launched a membership campaign in Portland, Ore., to lure Henry J. Kaiser's shipyard workers away from the powerful A. F. L. Boilermakers Union (BW—Apr. 3, '43, p. 72). Signed to the job was I. L. DeShetler, who announced that C. I. O. intended to pour money into the effort.

• **Fees Waived**—Biggest membership lure was a waiver of initiation fees. In A. F. L., initiation fee is \$35; and in C. I. O. union set monthly dues at \$12 compared with the Boilermakers' \$3.

This week, the C. I. O. effort seems to have fizzled because of a row within the Marine and Shipbuilding Workers Union. DeShetler, former C. I. O. director in the Cleveland area, reportedly received no funds until several weeks after his arrival late in May. Finally, the union's president, Jack Green, sent him \$5,000 but stipulated that each check had to be countersigned by Ruth Meyers, Columbia University graduate, who came to Portland a year ago to represent the C. I. O. on several jobs.

• **Job Shelved**—DeShetler, considerably perturbed, opened an office with



C. I. O. intentions to storm the A. F. L. citadel in Henry J. Kaiser's Portland shipyards have fallen apart since the union's generalissimo, I. L. DeShetler (above), flew East. Money trouble and internal dissension are blamed.



ers ostensibly acting as publicity  
Last week DeShetler flew to  
Washington, D. C., and said he didn't  
want to return.  
Several rumors are current in Port-  
land as to why DeShetler has quit the  
Commonwealth. The most common is that Ruth Meyers  
held several telephone conferences  
about his knowledge with John Green  
at the C.I.O. "high command"  
and didn't give him a free hand in running  
the membership campaign or in spend-  
ing the funds.  
**Campaign Flopped**—So the position  
of the tough A.F.L. Boilermakers Union  
appeared this week to be as impregnable  
as ever, and the C.I.O. campaign to or-  
ganize the Kaiser yards appeared to have  
ended.

## ENGINEERS JOIN U.A.W.

Vertical unionism won a battle in the  
Chicago area when the Society of De-  
signing Engineers voted to leave the  
A.O. Federation of Architects, Engi-  
neers, Chemists & Technicians and  
affiliate with the C.I.O.'s United Auto-  
mobile Workers.

The S.D.E. voted more than a year  
ago to take such action, but the  
A.E.C.T. ruled the election void. The  
balloting, completed late in April,  
showed 801 for the U.A.W. and 263 for  
the A.E.C.T. out of a membership of  
about 1,200.

The dispute between the two unions  
over control of the designers is thus  
settled in favor of the cardinal C.I.O.  
principle of vertical unionism. The  
A.E.C.T. is as near a horizontal craft  
union as exists within the congress. The  
S.D.E. is basically a craft group. But its  
policy of the U.A.W. affiliation aligns  
it with a vertical union whose member-  
ship stretches all the way from sweepers  
in auto plants to the aristocracy of  
highly paid workers, represented by de-  
sign engineers themselves and others in  
high pay brackets.

## WAR BONDS AND WAGES

In a letter to the Secretary of the  
Treasury, C.I.O.'s United Rubber  
Workers this week protested the  
decision of an employer representative  
panel of the National War Labor Board  
which has been trying to determine the  
terms in a wage dispute between the  
union and Firestone's California plant.  
This highly unusual procedure results  
in a statement attributed to Henry  
Neff, who filed a minority opinion  
with the panel report.

Neff pointed to the fact that Fire-  
stone employees had voluntarily in-  
stated over 13% of their earnings in  
war bonds, 3% more than the govern-  
ment is asking of industrial workers in  
the current payroll deduction campaign.  
Neff is quoted as saying, "This shows  
without doubt that workers are highly

# Remember the grasshopper...

**ORDER  
Unit Heaters  
NOW  
FOR SUMMER  
DELIVERY**



● Last winter  
was exceptionally cold. But *not* for  
some industrial plants. They had  
ordered unit heaters early — and  
therefore got delivery.

Other plants were like the grass-  
hopper in the fable. They gave heat-  
ing no heed 'til fall—and then ex-  
pected prompt delivery. Too many  
of them were disappointed. They  
shivered and wrestled with their  
heating problem all winter.

This year all signs point to an  
even tougher winter for the "grass-  
hopper" industrial user who puts  
off ordering unit heaters.

Unable to fill 1942 orders, unit  
heater manufacturers started 1943  
with a heavy back-log. New indus-  
trial plants will increase demand.  
Old plants hiring more women and  
older men need supplementary heat-  
ing, best supplied by unit heaters.  
Army and Navy needs, while less in  
this country, will be greater for for-  
eign bases.

Faced with a continued heavy de-  
mand for unit heaters...with unit  
heater manufacturers prohibited  
from building up stock inventories  
in time of war—*how are your 1943  
needs for unit heaters to be met?*

## modine HAS A PLAN to take care of Industrial Users

THE MODINE PLAN is briefly,  
mutual co-operation and foresight. It  
is *not* a commitment. You, and other  
plant executives, merely tell us *approx-  
imately how many* unit heaters you'll  
need, and *when*—using the *Unit Heat-  
er Requirement Survey*—a simple, easy-  
to-use chart supplied by Modine for  
your convenience.

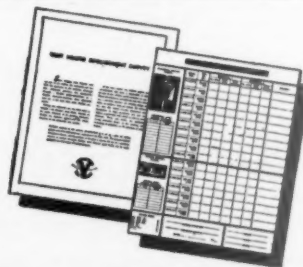
On the basis of this collective infor-  
mation Modine can make up a work-  
able 1943 production and delivery  
schedule to supply needs of industrial  
users.

Filling in this "probable require-  
ments" chart involves *no contractual  
obligation on the part of anyone.*



Look in your phone book for Modine representative's name  
— "Where to Buy It" section under Heating Apparatus.

or wire Modine direct... **DO IT NOW!**



The plants that place actual orders  
and specify *summer delivery* will profit  
most by this plan. Summer delivery  
gives the advantage of unhurried instal-  
lation, before the draft creates a further  
shortage of steamfitters. The earlier  
you can take delivery, the more certain  
you are of getting delivery. Unit heat-  
ers on your premises mean your plant  
is all set with effective automatic heat-  
ing when cold weather comes.

MODINE MANUFACTURING COMPANY, 1740 RACINE ST., RACINE, WISCONSIN

**modine** **STEEL UNIT HEATERS  
and STEEL COILS**

AVAILABLE TO INDUSTRIES DOING WAR WORK



# POWELL

**BRAND NEW HONORS**

**FOR AN OLD BRAND NAME**



*Reward!* That's the word that best describes the feelings of Powell men and women at the "not easily won" awards of the "E", the "M", and the Victory Fleet flags.

But another word best sums up the reasons for the awards—a long word, covering a long, long time—

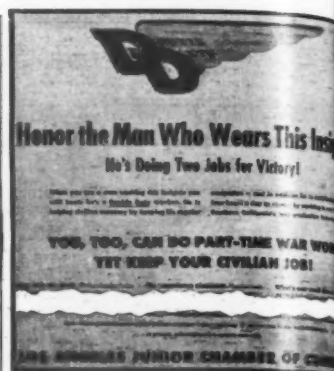
*Specialization!* Specialization in the manufacture of valves through almost a century of constant betterment in function, design, workmanship, materials.

On its 97-year-record of such valve engineering, Powell extends to all Allied industry its help in all valve problems . . . whether of installation, maintenance, conservation or conversion of materials.

*Powell Valves*

**THE WM. POWELL COMPANY**  
CINCINNATI, OHIO

★ ★ ★ ★ ★ ★ ★ ★



## DOUBLING UP

Latest twist in employing white workers part time in war plants (—Apr. 17 '43, p104) is a master plan promoted by the Junior Chamber of Commerce in labor-scarce Los Angeles. Cooperative advertisements (above) are "selling" the idea to employers and workers who will get patriotic buttons denoting their "double duty." With their regular employment permission, workers are signing up for four-hour afternoon and evening shifts, six days weekly, at regular rates. Participants include Lockheed and Vega Aircraft Corps.

paid and not suffering from maladjustment, otherwise they would not be asked to oversubscribe their bond quota."

The C.I.O. wanted to know whether the Secretary of the Treasury "agreed" that workers who invest more than 10% of their gross earnings in war bonds are, in reality, too highly paid." No removal from the NWLB panel was demanded.

## AIRCRAFT RAIDS MOVIES

The Lockheed-Vega Aircraft Corp. plant in suburban Los Angeles, which has used movie stars for bond selling, morale raising, and pep meetings, is now asking them to take the grease off their faces and get it under their fingernails. In an arrangement with the Screen Actors Guild, the movie performers' union, Lockheed will offer part-time employment to 200 male actors.

The offer is restricted to citizens. One actor will work from 4 p.m. to 8 p.m. and the second from 8:30 p.m. to 12:30 a.m. with the understanding that if one member of the team is occupied with motion picture work, his partner will stand the full shift.

Although one of the byproducts of the plan may be a more colorful production line, Lockheed is undertaking the program to help ease its manpower shortage.



*The aeolipile of Hero, built about 130 B.C., is the first recorded instance of the use of steam to do mechanical work.*

## if Hero came back to earth!

Hero of Alexandria, the Greek physicist of the second century B.C., were restored to life today, one of his greatest interests would be the modern steam generating unit. For he was the first person in recorded history to describe the harnessing of steam power through a primitive machine and the conversion of its energy into useful work.

But his greatest surprise would be to learn how the major development of present-day equipment is telescoped into a few years of recent time. For example, Hero would feel flattered to discover that no serious improvement over his simple machine occurred for nearly 1800 years, up to the 17th century. There followed a few hundred years of slow development that carried through the Industrial Revolution with a distinct tendency down even through the early years of the 20th century to rely on the work of the past and continue the use of well-established, conventional designs.

Hero would discover that the period of revolutionary progress began toward the end of the first world war and that the next few years saw in quick succession the commercial development of pulverized coal firing of boilers, of water-cooled furnaces and the preheating of combustion air; that these developments stimulated greatly improved designs of mechanical

stokers, the use of higher pressures and temperatures, the better integration of overall boiler-furnace design and, finally, made possible the building of steam generating units capable of delivering vastly greater amounts of steam at far lower cost. Because much of this development took place in America, the outbreak of the second world war found us with an abundance of low cost power, ready for a war in which power for production stands at the top of the list of national assets.

Combustion Engineering pioneered many of the major developments which have revolutionized steam power production in the twentieth century.



C-E installations span the whole range of steam generating requirements from small stoker-fired boilers of less than 50 horsepower to the largest power station units.



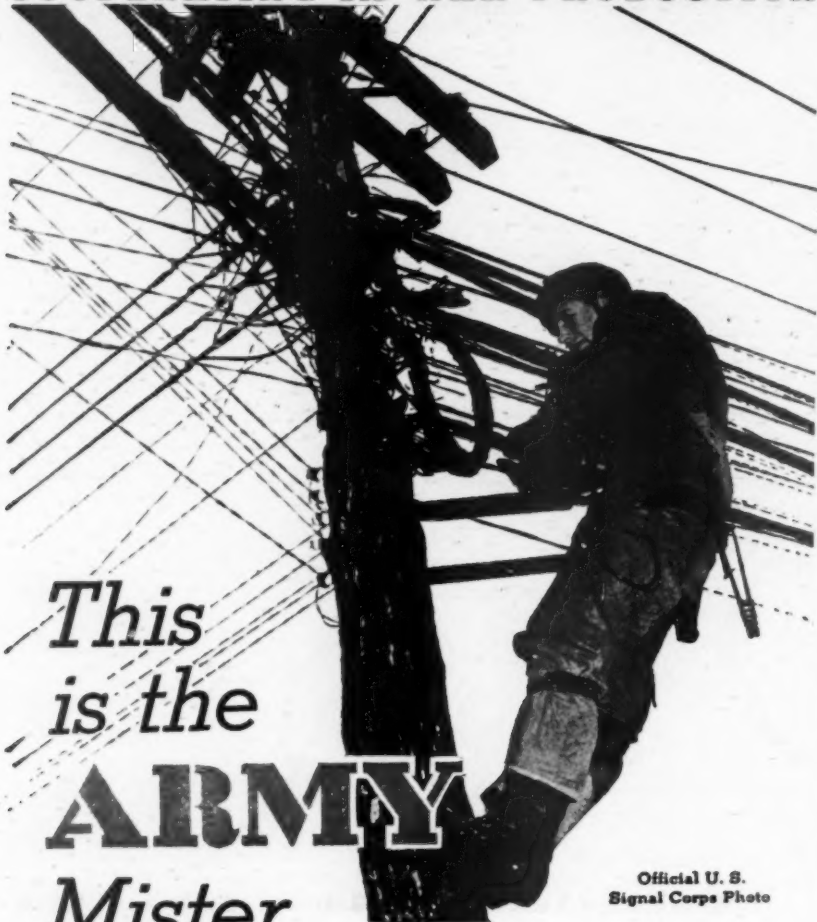
A-729

### COMBUSTION ENGINEERING

200 MADISON AVENUE, NEW YORK, N. Y.



## COOPERATING IN WAR PRODUCTION



# This is the **ARMY** Mister **LINEMAN..**

Official U. S.  
Signal Corps Photo

—and the pole-line hardware and fittings that come to hand so naturally are the same familiar Oliver products you knew so well in civilian line work.

From your former experience, you have learned a fact that is of vital importance to Uncle Sam today, and that is: wherever service conditions are tough and equipment must not fail—Oliver materials will stand up!

Through practical experience, Oliver engineers have gained

first-hand knowledge of line problems—enabling them to design and make line materials that fully meet the exacting requirements of these important public services.

In addition, Oliver makes thousands of styles and sizes of bolts, nuts, rivets for machinery, railroads, buildings, bridges, etc.—and most important today—for the construction of ships, trucks, tanks, gun mounts and other war products.

**OLIVER**  
IRON AND STEEL  
*Corporation*

SOUTH TENTH and MURIEL STS.

PITTSBURGH, PENNSYLVANIA

## 48-HOUR WEEK IN BUILDING

Construction operations in Detroit were placed on a 48-hour basis May 1, eliminating the last phase of 40-hour standards for industries in that tight city. The building trades had operated on a 40-hour basis during April while the district War Manpower Commission office studied the problem of how to reconcile added work with bad weather and material shortages.

The decision provides that 48 hours must be scheduled and worked unless such legitimate factors as weather and materials shortages prevent full operations. Time-and-a-half must be paid for hours in excess of 40. Permission was granted contractors to operate until July 1 under the old standard where time is required for adjustments.

The Detroit WMC office pointed out that contractors have been on notice of a 48-hour week since the President's order was issued in February, effective April 1, and that any contracts then signed in the meantime in which cost were based on straight time scales were at the contractor's risk.

## TRANSIT WORKERS YIELD

After prolonged haggling among members of the Cleveland transit men's union, Mayor Frank Lausche, and regional officials of the National War Labor Board, an 18-hour trolley and bus strike ended when the strikers yielded to pressure and went back to work.

The 1,200 conductors and motormen went back to work without any better promise of higher pay than they had when the strike started. The strikers wanted an increase of 10¢ an hour. The City Transit System had offered 2½¢. The NWLB intervened and made it a point to read the Presidential ultimatum on the coal strike (page 15) to the transit men's (A.F.L.) union.

War industries were only slightly affected, thanks to effective work by share-the-ride committees. Downtown stores with their lightest traffic since the days of the depression, were hardest hit.

## RACIAL ISSUE DECIDED

In the first ruling that an agent of the National Labor Relations Board has been called on to make in a case involving racial discrimination in a war plant, a board trial examiner held that the Wagner Act affords no protection to employees who strike or threaten to strike over the employment or upgrading of Negroes.

The point was raised in a hearing in a dispute between C.I.O.'s steelworkers union and the Glamorgan Pipe & Foundry Co. of Lynchburg, Va. Two employees were discharged last year, and the C.I.O. contended it was because they had joined and assisted the union.

DIN  
organizing drive. The company, how-  
ever, insisted that the discharges re-  
sulted from action by these employees  
protesting the employment of a  
Negro crane operator and in threatening  
to call a strike in the plant.  
NLRB's trial examiner upheld the  
company's contention and ruled that,  
because the conduct of the two employees  
was of a type for which the act affords  
protection, the respondent was within  
its rights."

Prominent Users of Strathmore Letterhead Papers: No. 38 of a Series



## does your letterhead command attention?

Officers' caps by Dobbs command attention. They have those same fine qualities of workmanship and material which, through the years, have won leadership for Dobbs civilian hats. Just as their hats say "leadership," so does the Dobbs letterhead on Strathmore Bond.

With more and more of your business carried on by correspondence, it is important that your letterhead should properly express the quality and character of your organization. A letter written on Strathmore paper costs only a small percent more than a letter written on the cheapest paper you might buy! Write for detail of letter cost.

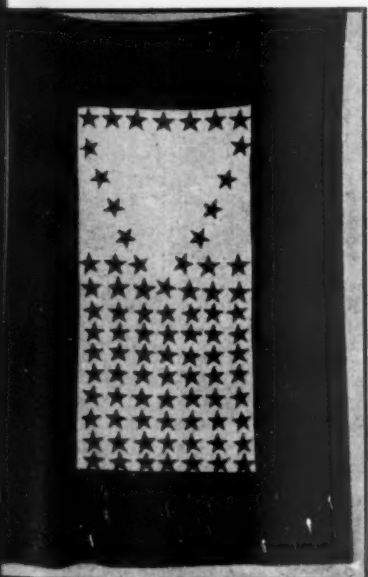
*Strathmore Papers for Letterheads: Strathmore Parchment, Thistlemark Bond, Bay Path Bond, Strathmore Bond, Strathmore Script, Alexandra Brilliant and Strathmore Writing.*

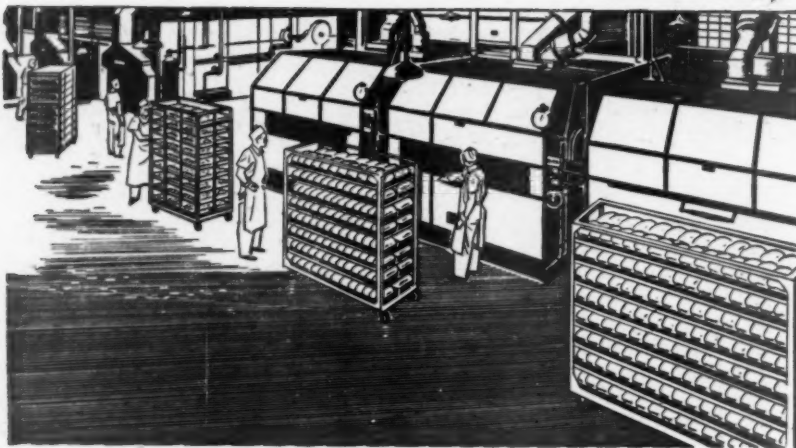
# STRATHMORE MAKERS OF FINE PAPERS

Strathmore Paper Company, West Springfield, Massachusetts

### RIGHT AND WRONG

According to War Dept. regulations, there is only one legal service flag for companies and organizations—that carrying only one star together with a numeral denoting the number of persons in uniform (above). But long after the order, one of the "illegal" flags (below) remained in a strange place—Washington's Selective Service Headquarters (BW—Apr.24'43,p107).





## WOOD Floors are Warm and Quiet — Easy to Work On

**FLOATING FLOORS**—used a lot in bakeries—have a hardwood surface over a treated wood subfloor. Sand between this and the concrete serves as a cushion. These floors stand up well under the wear and tear of service. The heavy pan trucks and racks roll more easily on them. The floors are warm and quiet, contributing to happier working conditions.

**WOLMANIZED LUMBER\*** is used for many of these floors, as well as for roof structures, shipping platforms and the like. It provides resistance to decay and termite attack. So, although conditions favor these enemies of wood—high humidities, warmth and frequent wettings for cleaning—this construction has long life.

**USE OF THIS** long-lived lumber introduces no unusual problems. The speed with which hundreds of Army and Navy projects have been erected is evidence that Wolmanized Lumber goes up easily and fast. All of the advantages of working with wood are retained—low cost, light weight, strength, resilience, good insulating properties. It is clean, odorless and paintable.

**ORDINARY WOOD**, deeply impregnated with Wolman Salts\* preservative by the vacuum-pressure method, becomes Wolmanized Lumber. Service records covering millions of feet, some of it in service over eighteen years, prove its lasting ability. The low upkeep costs that result certainly warrant your considering Wolmanized Lumber for postwar construction. American Lumber & Treating Company, 1656 McCormick Building, Chicago, Ill.

\*Registered Trade Mark

*"Alloyed"* FOR ENDURANCE  
**WOLMANIZED LUMBER**



## FINANCE

### Alleghany Does

Long ominous maturity met by holding company through bank loan; arrangement makes bedfellows of old enemies.

For about the first time since he took over the remains of the Van Sweringen railroad empire, Robert R. Young is hanging up his hat and count on staying while. Alleghany Corp., his top holding company, announced this week that it has made arrangements to pay off a \$22,647,000 bond issue falling due in February. This settles the last of a long series of problems threatening Young's control of Alleghany and, in turn, the Alleghany's control of the prospective Chesapeake & Ohio and its subsidiaries.

• **Strange Bedfellows**—To swing the deal, Young negotiated a six-year bank loan of \$19,600,000 at 4%. Wall Street wasn't surprised to learn that he was borrowing the money, but it did sit back and blink when it saw who was lending it to him. For, heading the list of participating banks was Guaranty Trust, one of Young's oldest and bitterest enemies in the fight over the handling of Alleghany's affairs. Among other major underwriters were J. P. Morgan & Co., Guaranty's ancient ally, and Manufacturers' Trust, which has provided Young with moral and financial support in many of his battles.

Puzzled by this sudden chumming, Wall Street took a careful look at the terms of the agreement but found no real jokers. The loan is a straight advance against collateral, Alleghany putting up 40 shares of C. & O. common for every \$1,000 of principal. With C. & O. selling around 45, this gives 170% coverage, about what any banker would ask for.

• **Saving in Interest**—Income on the collateral will be used to pay interest and reduce the principal, but Alleghany retains all voting rights on pledged securities. Thus, its working control of C. & O. is not disturbed. It also comes out well ahead by refunding at 4%, since the maturing bonds carry a 5% coupon.

Although these terms are about what everyone thought Alleghany would get, few expected to see Guaranty's name at the top of the list of participants. Only a couple of years ago, Young was struggling it out with the Guaranty-Morgan combination in one of the most dramatic battles this general of finance has produced. Origins of the feud go back even further than that.

• **Pyramided Empire**—Alleghany was organized in 1929 by O. P. Van Sweringen and M. J. Van Sweringen, who, with



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Morgan-Guaranty backing, built it into the fantastic pyramid of holding companies through which the Vans controlled some 28,000 miles of railroad track. When the empire toppled, Alleghany emerged from the debris with control of half a dozen major roads—C. & O., Nickel Plate, Pere Marquette, Erie, Chicago & Eastern Illinois, and Missouri Pacific—and an assortment of other interests.

In 1935, bankers auctioned off the Vans' furniture, and Alleghany went to George A. Ball, the fruit jar millionaire of Muncie, Ind. Two years later, Young and his partner, Allan P. Kirby, bought up Ball's 1,933,810 shares—44% of the total outstanding—for a price of \$6,375,000. They paid \$4,000,000 in cash, most of it advanced by Manufacturers Trust) and gave a note for the rest, secured by 1,200,000 shares of the stock (BW—May 1 '37, p18).

Things Begin to Happen—From that day on, Alleghany presented its new owners with one problem after another. The Erie and C. & E. I. went through reorganization, washing Alleghany's interests (held through the C. & O.) down to practically nothing. MOP, also in the Section 77 wringer, came out with a plan that made no provision for the common and only scant allowance for other securities held by Alleghany. Other investments lost value steadily.

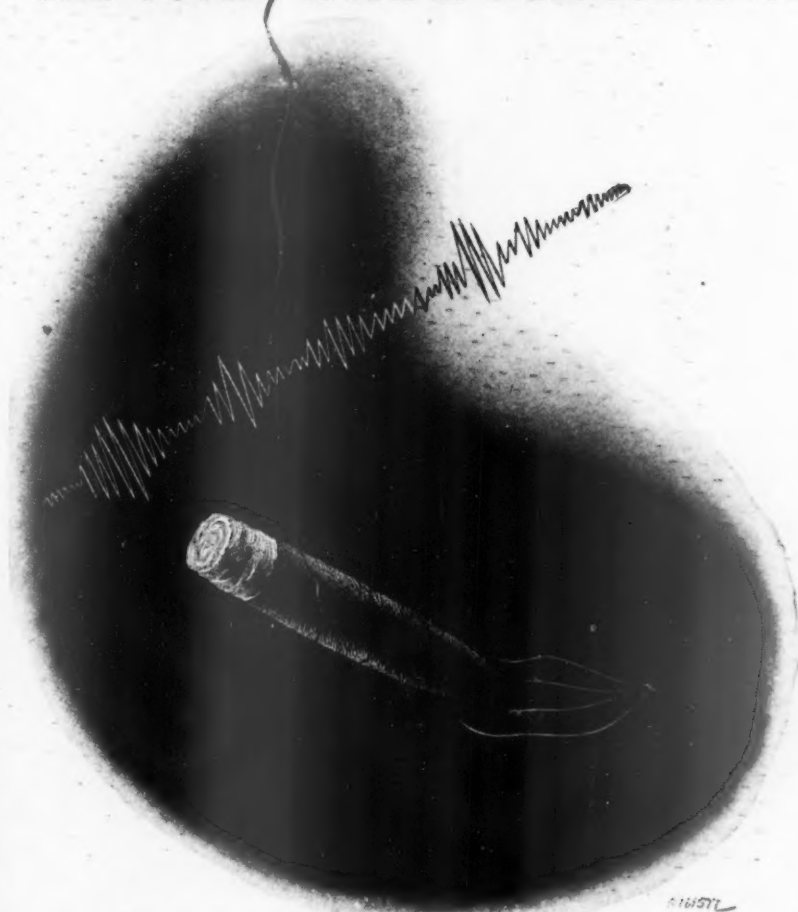
Soon after Young and Kirby took

**JUST HOW FAR** executive thinking is aided by a clear Havana perfecto is a question not yet surveyed.

The fact remains that many a business man dictates to his Dictaphone with a cigar in his mouth. That kind of talk is strictly American, but secretaries don't like it, because it isn't always easy to understand.

So in the Dictaphone Research Laboratories at Bridgeport, Conn., we have done quite a bit of research on the problem presented by the voice with a cigar in it. After all, the aim of Dictaphone engineers is to make a machine that will record dictation intelligibly under all sorts of office conditions.

## THE VOICE WITH A CIGAR IN IT...



The first thing that Dictaphone engineers did was to trim away all disturbing overtones and resonances. Then they started experimenting with the reconstruction of voices which had been thus pared down. When war struck, they had already taken long steps in this direction. Too-thin and too-deep voices—words mumbled or over-emphasized were being successfully built up or cut away to produce intelligible tones that secretaries could more easily understand.

In the avalanche of war activity Dictaphone equipment bears the brunt in many an office of both Government and industry—saving precious minutes—getting vital ideas into action fast!

Meanwhile Dictaphone engineers have turned out many improvements in electric voice recording for use by the armed services—brand-new ideas which will further extend the usefulness of the Dictaphone method of dictation to meet the challenge of the post-war era.

Dictaphone Corporation, 420 Lexington Avenue, New York City.



### DICTAPHONE

ACOUSTICORD DICTATING EQUIPMENT  
ELECTRICORD RECORDING EQUIPMENT

The word DICTAPHONE is the Registered Trade-Mark of Dictaphone Corporation, Makers of Dictating Machines and Accessories to which said Trade-Mark is Applied

Robert R. Young has had no easy task straightening out the muddle left by the Van Sweringens. There have been fights and financial troubles, but one thing after another has been worked out until he now seems pretty well in the clear. His top holding company, Alleghany, is refunding the \$23,000,000 bond issue falling due next year, a maturity that long threatened disaster.

## GOT GREMLINS

in Your Paperwork?

Mistakes in Copying?  
Delays in Duplication?  
Specifications and  
Prints Late?  
Vital Tracings Worn Out?  
Drafting Room  
Jammed Up?



FAST...  
EXACT...  
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GET CLEARER, SHARPER PRINTS  
Use Hecco-Dyzed PAPER or

• New speed, sensitivity and clarity . . . especially for today's wartime demands! By the addition of a new-type, secret-formula dye, Hunter is able to give you a fast, supersensitive emulsion on the famous Hunter Original-Formula Paper. Ask for it by name—HECCO-DYZED papers, vellums, linens. Notice the difference—the pure whites, the opaque blacks, the accurately graduated shadings!

HUNTER ELECTRO-COPYIST, Inc.  
107 E. Fayette St., Syracuse, N. Y.

over, it became obvious that Alleghany's one big asset was its interest in C. & O., but there was plenty of trouble in this department, too. Alleghany had all its C. & O. stock, and all its stock in Chesapeake Corp., a subsidiary through which it controlled C. & O., pledged as collateral for its bond issues. As the value of this collateral depreciated, the margin of coverage dropped below the level prescribed by the indentures. This gave the trustees the right to take over the collateral.

• **Troublesome 150%**—Alleghany's funded debt consisted of three bond issues—\$35,000,000 in the 5's of 1944, \$25,000,000 in the 5's of 1949, and \$25,000,000 in the 5's of 1950. Guaranty Trust was trustee for all three. Indentures specified that if the value of the collateral fell below 150%, the trustee could take over all voting rights of the pledged securities.

By the time Young got Alleghany, all three issues were under water, which gave Guaranty the whip hand. When Young brought out his plan for liquidating Chesapeake Corp., the subholding company, Guaranty didn't like the terms. It impounded the pledged securities, leaving Young in control of a holding company that had nothing to hold (BW—Feb. 25 '39, p47).

• **Ball Settles Suit**—In the various fights that followed, Young and Kirby came close to losing even this remnant of their investment. They refused to take up their note to Ball when it fell due, returning the pledged stock instead. In the meantime, they had brought suit against Ball, charging that he had misrepresented the value of the securities he sold and had rigged the market (BW

—Mar. 18 '39, p22). In the end, this suit brought Young out on top. The Ball interests settled out of court on terms that were never published, but Young and Kirby wound up with control of Alleghany.

In 1940, Alleghany and the trustees of its bonds finally agreed on a set of supplemental indentures. Meanwhile, Guaranty had resigned as trustee for the 5's of 1949 and the 5's of 1950 to avoid a conflict of interest (BW—Mar. 25 '39, p57). Under the new indentures, Alleghany did not have to meet the 150% coverage requirement to retain voting power on pledged securities. Also, it could transfer extra collateral from one issue to another.

The rising stock market really helped Young more than anything else by boosting the price of C. & O. stock, thus blowing up the value of his collateral. On the last appraisal, all three issues were above water for the first time.

• **Debt Reduced**—This left the nearly 1944 maturity as the last big obstacle Alleghany had to clear. With that settled, Young has a fairly tidy railroad system instead of the jumbled collection of companies he inherited from the Vans. Chesapeake Corp. finished liquidation earlier this year, which simplifies the corporate structure and lightens the system's tax load. Alleghany's debt has been cut from \$85,000,000 to \$63,445,000 since Young took over.

Wall Street still doesn't know just why Guaranty decided to let bygones be bygones and help Young over this particular fence. However, the answer is probably that a smart banker doesn't let sentiment interfere with a chance to grab a nice piece of business.



## SALESMEN'S "BONUS"

Military men and machines were a big help in putting the Treasury's \$13,000,000,000 war bond campaign well over the top last week. Even the Army's new amphibian jeep did its

part by rewarding bond salesmen. At Fort Custer, the 53 Battle Creek (Mich.) citizens who each sold more than \$1,000 worth were given a jeep ride on Eagle Lake. Altogether those volunteers (above) signed up \$100,000 during the drive.

## One Way to Invest

Metropolitan Life, faced with 2½% money market, plans to build another housing project that stands to earn 6%.

Never voluble about the returns on specific investments, Metropolitan Life Insurance Co. is undertaking a new project eloquent of the success of its previous ventures into the large-scale housing field. Announced by Metropolitan's chairman, Frederick H. Ecker, and by New York's loquacious mayor, H. LaGuardia, is an ambitious program.

**A 72-Acre Project**—The world's largest insurance company will clear 18 square blocks on Manhattan's East Side, and, on these 72 acres of old-law tenements, warehouses, and factories, it purposes to erect a community of apartment houses covering only 25% of the area. This will be the largest housing development ever to be undertaken on Manhattan and.

Thus far, the company has purchased substantial share of the necessary land. Next steps involve submitting its plans to three successive public bodies for approval. Thereafter, the lawyers will go to court, undertake condemnation proceedings under New York State's urban development law which was amended last year to encourage institutional investments of exactly this type.

**Wait for Materials**—This program is thought to be the first actually initiated under the epidemic of urban redevelopment laws which have swept the country since 1940. Construction is scheduled to start just as soon after the war as the materials and the manpower become available.

Boundaries of the tract are 14th St., 15th St., First Ave., and Avenue C. This district had, just after the World War, a population estimated at 27,000. Today, enumerators count 11,000 people here. The lack of crowding makes this, in the vocabulary of real estate, a blighted area, in contrast with an overcrowded run-down section, which is a slum.

**Project's Capacity**—Metropolitan has not announced its projected number of family dwelling units, but the Little Lower blurted that 30,000 will live in the reconstituted section. In terms of Manhattan families, this looks like 9,000 apartments. Average rent is planned for about \$14 a room per month, which would draw white-collar, middle-class tenants.

Present assessed valuation of the area is \$14,000,000, and the Metropolitan will pay taxes on this valuation as long as the property is operated under the terms of its contract with the city. The transaction is bound to improve the

## BOOST DWINDLING MANPOWER WITH

# MUSIC

NEW BOOK TELLS THE STORY

Everybody talks about music in industry, but few have the facts and figures!

You can read the complete story in this just-off-the-press study of the remarkable relationship of music to manpower. See actual statistics on how OPERADIO Plant Broadcasting systems maintain or increase production, even with a reduced number of workers or with new and untrained personnel! How music scientifically selected for fatigue relief helps speed vital war production, reduces "rejects" and spoilage, even lessens accidents and absenteeism!

The very same system used for music is used for voice-paging—the modern way to "find your man faster," give orders, get answers in a flash!

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on 6% Preferred Stock

NOTICE IS HEREBY GIVEN that a dividend of 75¢ per share for the quarter ending May 31, 1943, has been declared on the 6% Preferred Stock of Atlas Corporation, payable June 1, 1943, to holders of such stock of record at the close of business May 14, 1943.

WALTER A. PETERSON, Treasurer  
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**WAR BONDS**

# THE MARKETS

Dow theorists had their innings in this week's market. The stock price averages banged up to new recovery highs, wiping out the last traces of the spill that followed President Roosevelt's hold-the-line order. Volume on Tuesday topped 2,800,000 shares, the biggest day since the end of 1941. To chart readers, the breakthrough on volume was a perfect example of the go signal, and they light-heartedly climbed aboard the bandwagon.

• **Rest, Then Rise**—If the market plays according to Dow theory rules, it should put on a brisk rise before it levels off again. For almost a month, it slid along sideways without giving any indication of whether it would go up or down. Breaking out of this line on the upside is a clear-cut bull signal. If chartists have called the shots right, the averages will now resume their upward march, and in retrospect, the plateau of the past month will become another resting spell that preceded a new rise.

Just what jolted the market out of its doldrums is anybody's guess, but favorable war news probably had a good deal to do with it. Prospects of an early victory in Tunisia gave the bulls a lot of encouragement, even though prices have pretty well discounted a quick cleanup in North Africa.

• **More Inflation Talk**—Traders who were worried about the fight over coal mining wages (page 15) felt better when the showdown came without a long strike. Rumors that the miners would get a healthy boost in pay despite wage freezing policies—opening the door to other wage claims—gave new life to inflation talk.

There are still plenty of traders who think the market is due for a sharp slump, no matter what the Dow theory says. In

their opinion, prices have made allowance for just about all the good news they are likely to get, and the first bad jolt will shake out a lot of bulls.

• **Many Speculators Out**—However, except for a few pessimists, Wall Street thinks the long-term trend is still upward. Traders believe that if a reaction comes, it will be short and not too severe. The market's technical position has improved considerably in the last month or so, and there is now a fair-sized short interest to cushion it on a slump. Moreover, the quick drop last month cleared out a good many of the speculators who were ready to take profits.

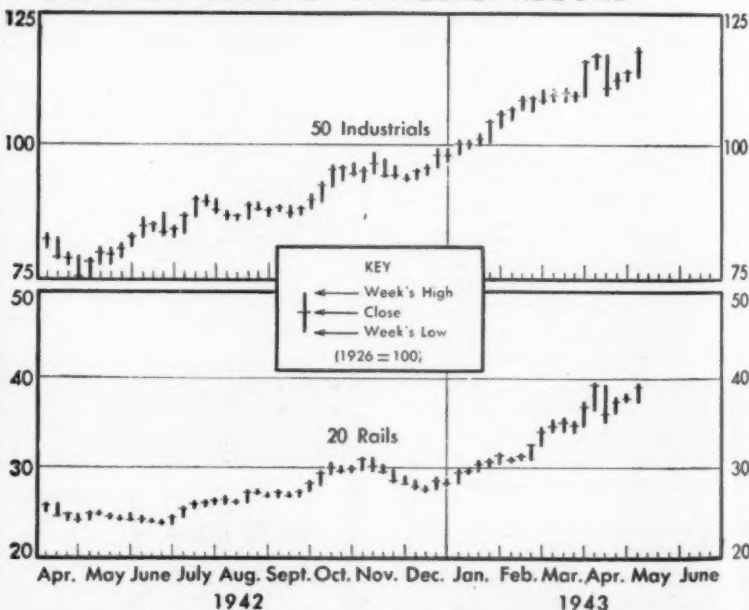
Along with the rally in the market this week came a quick jump in the volume of corporate financing. As the Treasury wound up its bond drive and went off with around \$18,000,000,000, private corporations hurried to take advantage of the resting period. Dealers think that this will be the accepted procedure from now on. The Treasury will monopolize the market for about one month out of every four, and private borrowers will do their financing in the intervals.

## Security Price Averages

	This Week	Week Ago	Month Ago	Year Ago
<b>Stocks</b>				
Industrial ...	118.0	114.2	117.2	78.2
Railroad ....	39.2	37.8	39.3	24.9
Utility .....	47.1	45.9	46.0	29.8
<b>Bonds</b>				
Industrial ...	116.1	116.0	117.2	106.8
Railroad ....	99.6	98.2	98.1	88.4
Utility .....	113.6	113.6	113.3	102.4
U. S. Govt. ...	111.0	110.8	110.0	110.6

Data: Standard & Poor's Corp. except for government bonds which are from the Federal Reserve Bank of New York.

## COMMON STOCKS—A WEEKLY RECORD



Data: Standard & Poor's Corp.

city's tax income, even on this lenient deal, because tax delinquency has prevailed throughout the district.

• **Effect on Population**—Immediate tax gain to the city comes because the insurance company has necessarily paid all back taxes to perfect the title on each plot it has purchased. Of even greater long-term significance, if the new project proves that it can anchor families with children to the borough which has been losing population for 20 years, this may be the first step in halting the process of decentralization which has been undermining the financial soundness of every major city in the United States since the World War.

Parallel between the East Side project and Metropolitan's Parkchester apartment community in the Bronx (BW—Jan. 20 '40, p. 30) is close. The big Bronx development has been practically 100% occupied, at \$13 a room, ever since it was completed. Yield on this investment is not divulged by Metropolitan, but real estate generally think that the company is taking out a gross, combined interest and amortization, of 6%—not to be sneezed at in the current market where it is hard to get an investment that yields over 2 1/2%.

• **Company Satisfied**—Chairman Ecker says that the Parkchester development and the 1920 Queens developments for 2,250 families at \$9 a room (now bringing somewhat less) have measured completely up to the company's expectations both in investment return and in social usefulness.

In brief, the company has evolved a formula comprising complete, undefaultable equity ownership, plus magnitude of project sufficient to guarantee against the kind of obsolescence arising from what the neighbors do with their property. This formula provides an outlet more profitable than any conventional investment channels now open to use of life insurance policyholders' funds. Since about one U. S. city-dweller in three is insured in the Metropolitan, provision of better living conditions for city folks must accordingly improve the company's mortality experience and annual earnings.

• **Outside New York**—Testimonials to the Metropolitan management's appraisal of large-scale housing developments in the company's portfolio are three enterprises currently under construction. At San Francisco, on 200 acres of Park Merced, and at Los Angeles, on 178 acres between Fairfax, LeBrea, 3rd, and 6th, are two Metropolitan-owned developments to accommodate 2,500 families each, with renting to get under way soon for late fall occupancy.

• **Pentagon Housing**—At Alexandria, Va., close by the War Dept.'s mammoth Pentagon Bldg., 200-acre Park Fairfax with capacity for 1,700 families is taking shape for September occupancy.

# Important New Features!

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## TRADITION BUSTER

Whistles, jeers, and catcalls echoed through the New York Stock Exchange last week as another frontier of male tradition fell. For the first time in its 150-year history, a woman was working on the floor. Crisply uniformed and unruffled by her reception, 18-year-old Helen Hanzelin took over the duties of an odd-lot clerk. To brokers Merrill, Lynch, Pierce, Fenner & Beane, she was an answer to a man-power problem.

## FIRST COME, BEST SERVED

Reorganization lawyers were quick to spot a novel feature in the recapitalization plan for the General Gas & Electric Corp., which came out this week. If approved, the plan will divide common stockholders into two classes according to when they bought their shares.

Experts on reorganization frequently have advocated a system that would give original holders better treatment than the buyers who came in with their eyes open, but this is believed to be the first plan that has tried to put the idea into effect. Stockholders who bought General Gas common before Oct. 31, 1932, would get 1½ shares in the reorganized and geographically integrated company. Buyers who took title after that date would get only half a share.

In this case, separating the sheep from the goats is a fairly easy matter. On Oct. 19, 1932, the New York Stock Exchange forced General Gas to tell its stockholders that Howard C. Hopson, former utilities magnate and manipulator, had scrambled its assets with those of his tottering Associated Gas & Electric companies. Hence after that announcement, any buyer was on notice that General Gas common was a risky proposition.



# THE TRADING POST

## For the Ball Resolution

C. J. Symington, president of Symington-Gould Corporation, has written the following letter to the members of the Senate Foreign Relations Committee:

I wish to add my support to the resolution introduced in the Senate on March 16 by Senator Ball for a greater collaboration among the United Nations in the prosecution of the war and the planning for a just and permanent peace. Such a resolution should be passed promptly. The need for such a statement of aims is clear and the present is the proper time.

Part of the resolution concerns the prosecution of the war. While the United States may not be bound by formal treaty of alliance with other countries, nevertheless we have with the British Commonwealth, Russia, China and the other United Nations a common bond in the defeat of the Axis. Whatever can be done to bring about greater cooperation between them and the fullest possible utilization of their military and economic resources will hasten ultimate victory and reduce the awful waste of life and resources.

When victory is attained, it will be hollow unless the spirit of cooperation which made it possible continues in planning for peace. Economic repercussions in the United States will be serious and far worse in countries now under Axis domination. Economic rehabilitation in this country will be impossible unless economic well-being is assured everywhere.

In spite of the tremendous drain on the resources of this country, they will not be exhausted nor will those of the British Commonwealth, China or Russia. We must not adopt a policy of selfish hoarding, but must rather utilize the resources of the world so that they will be available for a renewal of normal international trade and commerce without special temporary advantage to one at the permanent expense of the others. That would only sow the seeds of future discord and war.

In this country it is particularly important that the winning of the peace should not be tainted with partisan politics. Neither party should have a monopoly in dictating our foreign policy. In the prosecution of the war and in the desire for a better peace than prevailed after the last war, both parties and the entire country are in substantial accord.

The Senate, through its approval of treaties, is the forum in which to give formal expression to the desire of the country for cooperation among the United Nations to assure a lasting peace. Next year there will be a Presidential election and the country will be filled with political arguments. International cooperation at the peace table and in the formulation of a plan for the future must not be one of those arguments. This makes it imperative that the position of the country be expressed now so that neither party can make capital of peace and so that the other United Nations may now and dur-

ing the heat of political battle next year have assurance that on the question of international cooperation the country is united.

I urge you most earnestly to lend your support to the Ball resolution, to bring about its prompt consideration and to convince your colleagues of the urgency of immediate approval.

## Paging Things "Really New"

William C. White of Schenectady writes as follows:

I was interested and greatly impressed by the logic and clear presentation of facts in your Trend "The Price of Efficiency," which appeared in the issue of April 24. I wished, however, that you had had space to hint at what is probably the solution of the problem.

This solution is new kinds of industries.

For the generation that grew up between about 1905 and 1925, there was the thrill of many new things reaching the general public that after a few years employed new millions and contributed enormously to our prosperity and high living standard. The electric light, telephone, phonograph, automobile, airplane, and radio are only a few of them. To people like myself, about fifty years of age, it was an exciting period in which to have grown up. We of that age can all remember the first one of these things that we saw.

My son has passed through his youthful age period between 1925 and 1943 and, in my opinion, these years have not been even comparable in the thrill of really new things coming into common use. About the only thing I can class as really new that he has seen in his youth is television.

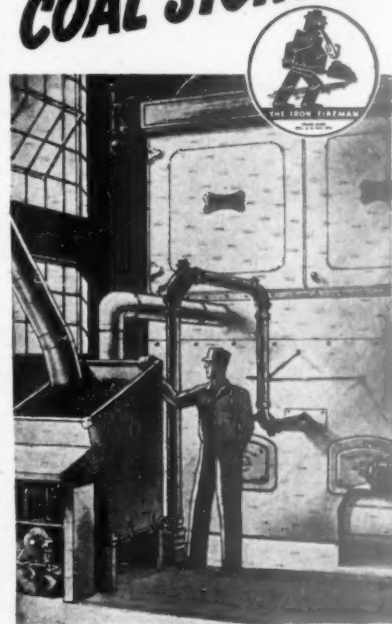
Of course there have been new things of a kind; plastics, alloy, steels, fluorescent lamps, helicopters, plywood, sulfa drugs, and a long list that could be made up. However, it is to be noted that most of these recent new things are limited in scope or are improvements, substitutes, or lower cost trends. They are the sort of developments the editorial deals with, which lower costs by reducing the man hours to get certain results. They are not what I define as really new and are not contributions to a rapid and vastly increased total of industrial employment and use of capital.

Does this mean that we have run out of really big new things to do? I certainly don't think so, but I do think that the depression years and, since then, the discouragement to individual initiative and corporate industrial daring have had a deadening effect.

Mr. White is quite correct in feeling that our future will depend on the same inventive genius that has contributed so greatly to past progress. It is true, however, that we seldom can forecast just what that genius may have in store for us at any given time. Quite possibly the intensive research of wartime industry may stimulate a rapid expansion of new ideas and new products after the war and that out of this will come many of the "really new" things for which he asks.

W.C.

## Fuel Problem Solved Permanently with IRON FIREMAN COAL STOKERS



## COAL... America's Permanent Fuel Supply...

According to leading authorities, known reserves of coal in the United States are sufficient to supply our needs for at least 3000 years. Now, in wartime, this coal supply is a vital resource as it can replace oil which is the life blood of planes, tanks, trucks, naval vessels and supply ships.

Just 20 years ago, Iron Fireman made coal an automatic fuel. Today millions of tons of coal are fired automatically and economically with Iron Fireman stokers. If you are now using oil, let us help you convert your plant to automatic coal firing. Iron Fireman stokers will provide a permanent solution to your fuel problem. Write, wire or telephone Iron Fireman Manufacturing Co., 3417 West 106th St., Cleveland, Ohio. Plants at Portland, Ore., Cleveland, Ohio; Toronto, Canada.



Two Iron Fireman Pneumatic Spreader stokers increased steam radiation from 22,000 to 36,000 square feet at the Rockford Machine Tool Co., Rockford, Ill. This type of stoker conveys coal on a stream of air to the furnace and grates.

## IRON FIREMAN

Automatic Coal Stokers.

# THE TREND

## THE LEGACY (IF ANY) OF RATIONING

Two months of point rationing, plus a year of the stamp plan, have pretty well dispelled vague prior notions that rationing would leave a permanent postwar imprint on the marketing system. The mysteries of fair shares, in the light of actual experience, turn out to be nothing more than a regrouping on a temporary basis of the old, well-known principles of supply and demand.

- The heart and soul of rationing consist of the removal of certain types of merchandise from the claiming power of ordinary money. To supersede money, the government issues a new type of claim—the ration point, or stamp—in an amount that won't outrun supplies. Consumers are allowed to exercise some measure of choice as, say, between meat and butter, or between high-priced shoes and low-priced shoes, but the sum total of these choices can't be bigger than aggregate supplies.

To be sure, this forcible equalizing of supply and demand momentarily stuns consumers who—for a considerable period of time—have been attempting to get what they want by bidding up prices and/or quality. And it is this first flush of confusion which is, perhaps, most often mistaken for a revolution in habits that will persist into postwar days.

For instance, in the initial moments of point rationing local grocers and delicatessens got a distinct increase in business. Supposedly this increment came about because the consumer figured that a can of tomatoes costs the same number of points in a chain store as in a delicatessen, so why walk five blocks when the price is identical just around the corner? Yet this advantage to the small store is so tenuous that it may not last more than a few weeks, much less into the postwar period. Even granting that large groups of consumers were sufficiently befuddled to forget that ration claims must still be backed up by Treasury money, it seems likely that lack of gasoline and unbalanced inventories worked against the big stores just as hard. Price cutting on the part of chains and supermarkets, or more liberal gasoline allotments, could reverse the situation over night.

- In just as weak a category is the contention that rationing favors branded merchandise. The argument runs like this: Since the consumer can only buy a limited amount of goods, he'll buy the best (meaning often the most familiar). Trouble with this reasoning is that the consumer's choice is restricted under rationing, and he may thus be introduced to private-brand goods forcibly. For instance, the estimated supply of canned vegetables in 1943 is around 30 lb. per person, of which perhaps 18 lb. are nationally advertised merchandise and 12 lb. private-label goods. If a steadfast Campbell-Heinz-Libby, McNeill patron attempts to stick to his favorite trio alone, he'll lose—on the average—40% of his ration allotment. To get his full quota, he must buy a private brand, a situa-

tion that results in advertising of the "sampling" type for the private brand.

Nor are heavy purchases of catchup, chili sauce, etc., any portent that we shall become a nation of rabid eaters of such products after the war. Extensive purchases of these goods are rather an indication that the frugal housewife is flavoring bland cereal dishes with a load of condiment.

- Important for distributors, though, is an indirect consumer experience brought about by rationing. For the first time, the lower income groups are guaranteed as much merchandise as a millionaire. In some instances, there is still a quality differential because of great disparity in price levels (as in the case of shoes). But by and large, under rationing the standard of living of the poorer groups goes up, while that of the upper groups comes down.

The carryover effects of this situation into postwar days may be significant. For the lower income groups will attempt to retain their wartime standard of living, by retaining the current level of wages, or—failing that—by patronizing stores that will stretch their dollars to the utmost.

Such a postwar situation would distinctly favor the department stores and chains. As in the days of the great depression of the last decade, they would attempt to undercut a more or less rigid price level by specializing in standardized merchandise (favorite practice of five-and-tens), private brands, and distributor-manufactured goods.

Talk is already prevalent that some of the department store and mail order houses are hedging against the future by buying up factories that went to the wall for lack of war contracts. Should such hedging develop to a considerable extent, a new era of integrated manufacturer-retailer operations on a giant scale is in the making. And with trust buster Thurman Arnold out of the picture, the way seems relatively clear for such a trend.

- On the other hand, current postwar planning programs are seeking to avoid a deflationary spiral (accompanied by inflexible prices). These programs—of which the one sponsored by the Committee for Economic Development is a good example—would take advantage of accumulated wartime savings to usher in an era of high employment and high purchasing power.

More and more, however, the planners are beginning to realize that, at the beginning, at least, their programs must be accompanied by price control and perhaps rationing. That is, no program can hope for success unless it is introduced into an "orderly" world.

The experiences of wartime rationing and price control should be an invaluable lesson on this front, though mainly from the standpoint of mechanics.

*The Editors of Business Week*

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